

**LOCAL AGENCY FORMATION COMMISSION  
COUNTY OF SAN BERNARDINO**

215 North "D" Street, Suite 204  
San Bernardino, CA 92415-0490 • (909) 383-9900 • Fax (909) 383-9901  
E-mail: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov)  
[www.sbclafco.org](http://www.sbclafco.org)

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**PROPOSAL NO.: LAFCO 3070**

**RESOLUTION NO. 2994**

**A RESOLUTION OF THE EXECUTIVE OFFICER OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO CONFIRMING THE ORDER OF REORGANIZATION WHICH INCLUDES THE FORMATION OF THE PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT, DETACHMENT FROM COUNTY SERVICE AREA 56, AND DISSOLUTION OF COUNTY SERVICE AREA 9, COUNTY SERVICE AREA 56 IMPROVEMENT ZONE F-1, AND COUNTY SERVICE AREA 70 IMPROVEMENT ZONES L AND P-4**

**SECTION 1.** The Executive Officer, on behalf of the Local Agency Formation Commission for San Bernardino County (Commission), conducting authority for the Reorganization to Include Formation of the Phelan Piñon Hills Community Services District, Detachment from County Service Area 56, and Dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, and County Service Area 70 Improvement Zones L and P-4, hereby finds and determines:

(a) This action is being taken pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.);

(b) That on Tuesday, October 23, 2007, the Board of Supervisors of the County of San Bernardino, at the request of the Commission, called for an election to be held on February 5, 2008, for the purpose of determining whether or not the reorganization, identified as LAFCO 3070, should be approved in accordance with the terms and conditions set forth in Local Agency Formation Commission Resolution No. 2969;

(c) That an election was held on February 5, 2008, and the results thereof have been certified to the Executive Officer by the San Bernardino County Registrar of Voters;

(d) That the total number of votes cast on the reorganization was 4,506; that 3,636 votes were cast for the reorganization and 870 votes were cast against the reorganization;

(e) That the type of change being acted upon was a reorganization which includes the formation of a community services district, to be known as the Phelan Piñon Hills Community Services District, detachment from County Service Area 56, and dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, and County Service Area 70 Improvement Zones L and P-4;

(f) That the reason for the reorganization is to establish a local government that is responsive to the needs of the people within the boundaries of the Phelan Piñon Hills Community Services District and provide local control and accountability for the delivery of services and management of revenues;

## RESOLUTION NO. 2994

(g) That the five candidates for the office of Director of the Phelan Piñon Hills Community Services District who received the most votes are:

- Mark Roberts
- Ken Anderson
- Charlie Johnson
- Mike Adams
- Al Morrisette

**SECTION 2.** The Executive Officer of the Local Agency Formation Commission therefore hereby resolves and orders:

(a) That the territory described in the attached Exhibits "A" and "A-1" is formed as a community services district, the name of which shall be the Phelan Piñon Hills Community Services District, that the territory described in the attached Exhibits "B," and "B-1" is detached from County Service Area 56, and that the territory described in the attached Exhibits "C," "D," and "E" are dissolved;

(b) The following persons are elected to the office of Director of said District:

- Mark Roberts
- Ken Anderson
- Charlie Johnson
- Mike Adams
- Al Morrisette

(c) The territory described in Exhibits "A" and "A-1" shall utilize the regular County assessment roll and that the reorganized area will be taxed for any existing general bonded indebtedness and contractual obligations of the predecessor agencies;

(d) The provisional appropriation limit under Article XIIIB of the Constitution of the State of California shall be \$1,203,876; and,

(e) That LAFCO Resolution No. 2969 contains the following pertinent conditions:

**Condition No. 1.** The boundaries of this change or organization are approved as set forth in Exhibits "A", "A-1", "B", "B-1", "C", "D", and "E" attached;

**Condition No. 2.** The following distinctive short-form designation shall be used through this proceeding: LAFCO 3070;

**Condition No. 3.** The effective date of this reorganization shall be the date of issuance of the Certificate of Completion;

**Condition No. 4.** The Phelan Piñon Hills Community Services District shall be the successor agency and shall function under and carry out all authorized duties and responsibilities assigned to a community services district as outlined in Government Code Section 61000 et seq., Community Services District Law, and other applicable laws. Upon the Effective Date of this reorganization, the legal existence of County Service Area 9, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zone L and County Service Area 70 Improvement Zone P-4 shall cease to exist, except

## RESOLUTION NO. 2994

as otherwise required by law, and the Phelan Piñon Hills Community Services District, as successor District, shall succeed to all the rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of the extinguished agencies;

**Condition No. 5.** The Board of Directors of the Phelan Piñon Hills CSD shall consist of five (5) members, elected at-large, pursuant to the provisions of Government Code Section 61020;

**Condition No. 6.** The Phelan Piñon Hills CSD shall be authorized the following functions and services as active powers:

**Water** -- Supply water for any beneficial use as outlined in the Municipal Water District Law of 1911 (commencing with Section 71000) of the Water Code (§61100(a)).

**Streetlighting** -- Acquire, construct, improve, maintain and operate streetlighting and landscaping on public property, public right-of-way, and public easements (§61100(g)).

**Recreation and Parks** -- Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code (§61100f)).

**Condition No. 7.** If this proposal is approved by the electorate at the February 5, 2008 presidential primary election, the County Board of Supervisors, through its County Special District Department, shall continue to provide for the administration of services and functions performed by the dissolving and detaching entities for a transition period identified as commencing upon the effective date of the reorganization until June 30, 2008. Nothing in this condition precludes a future Board of Directors of the Phelan Piñon Hills CSD from contracting for an extended period of time for the provision of administration, maintenance, operation, billing, and etc. services through the County Special Districts Department.

As outlined in the Transition Plan presented by the County Special Districts Department, set forth in Exhibit "F", the Phelan Piñon Hills CSD Board of Directors shall be required to sign the Interim General Manager Agreement at its first regular meeting to allow for fulfillment of Government Code Section 61050 and setting forth the payment structure for services rendered. In addition, the Operation and Maintenance Agreement with the County Special Districts Department for the period from the effective date of the reorganization until June 30, 2008 shall be signed within ten (10) days following the first regular meeting of the Board of Directors of the Phelan Piñon Hills CSD to assure continuity of services and elimination of questions of liability or risk to the County for continued provision of the administration and operation of the services to the area;

**Condition No. 8.** The Phelan Piñon Hills CSD shall succeed to all water and capacity rights and interests of CSA 70 Improvement Zone L, whether wholly or partially owned or held by the district, and shall succeed to the priorities of use or rights of use of water or capacity rights in any public improvements or facilities or any other property, whether real or personal, to which CSA 70 Zone L is entitled to upon the effective date of this reorganization. The Successor District shall specifically succeed to all rights and interests

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held or claimed by CSA 70 Zone L under the Judgment entered (including all documents constituting the Physical Solution, as from time to time existing) in City of Barstow, etc. et al. v. City of Adelanto, etc. et al., and Related Cross Actions, Riverside County Superior Court Case No. 208568 (the "Mojave Basin Area Adjudication"), including those from time to time set forth in Table B-1, to the Judgment.

The Successor District shall also specifically succeed to all rights and interests held or claimed by CSA 70 Zone L under all agreements and memoranda of understanding with the Department of the Interior, the Bureau of Land Management, the United States Geological Survey, the California Department of Fish and Game, the California Water Quality Control Board and the Regional Water Quality Control Board for the Lahontan Region, the California Department of Health Services, the Mojave Water Agency, the County of San Bernardino, the City of Adelanto, the City of Hesperia, the City of Victorville, the Town of Apple Valley, the Apple Valley Ranchos Water Company, the Southern California Logistics Airport Authority, the Victor Valley Wastewater Reclamation Authority, the Snowline Joint Unified School District, the High Desert Power Project (or any of its related entities), Southern California Edison, and any other public agency or private entity with which CSA 70 Zone L has an agreement or memorandum of understanding. The Successor District shall also assume all joint use flow agreements and maintenance agreements. [§56886(j) (r)];

**Condition No. 9.** The Phelan Piñon Hills CSD, as the successor district, shall accept all system facilities transferred from the dissolving or detaching agencies in "as is" condition without any payment or repair obligation from the assets of any of the dissolving or detaching agencies (Government Code Section 56886(h)). All material and incidental liabilities, including, but not limited to, accounts payables, contract obligations and customer deposits, held by the dissolving entities shall be transferred to the successor district upon the effective date of the reorganization (Government Code Section 56886(h)). All assets, including, but not limited to, cash reserves, buildings and other real property, water production equipment (pumps, storage tanks etc.), transmission lines and rights-of-way, rolling stock, tools, and office furniture, fixtures and equipment, all lands, buildings, real and personal property and appurtenances held by the dissolving entities shall be transferred to the successor district upon the effective date of the reorganization (Government Code Section 56886(h)). Additional requirements for transfer are defined below:

1. The Phelan Piñon Hills CSD shall receive a share of the pooled equipment and equipment reserve funds for the County Special Districts Department, Water and Sanitation Division, representing 17.2% of the values assigned as of July 13, 2007, representing a total value of \$403,980. The Board of Directors is entitled to receive this amount in equipment, in cash, or in a combination of equipment and cash subject to the following limitations:
  - a. If the method for receipt of the assigned value is determined by the Board of Directors to be received in cash only, said payments shall be spread over a three- to five-year time period subject to negotiations between the County Board of Supervisors and Board of Directors for the Successor District;
  - b. If the method for receipt of the assigned value is determined by the Board of Directors to be received in a combination of cash and equipment, and the cash

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balance exceeds \$200,000, said cash payment shall be spread over a three-year period subject to negotiations with the County and Board of Directors; or

- c. If the method for receipt of the assigned value is determined by the Board of Directors to be received in equipment only or a combination of cash and equipment and the cash balance is less than \$200,000 said payment shall occur as expeditiously as possible, but not later than 60-days following the determination by the Board of Directors.
2. The property owned by County Service Area 56 Improvement Zone F-1, identified as APN 3067-051-06, is a joint use facility including a fire station, community center and park. Ownership of said property shall be transferred to the Phelan Piñon Hills CSD upon the effective date of the reorganization with the stipulation that the fire station occupying a portion of the property shall be leased back to the County Consolidated Fire Agency for the sum of \$1.00 per year subject to a fifteen (15) year lease agreement to be entered into between the successor district and the County for the benefit of the County Consolidated Fire Agency (or District);

**Condition No. 10.** The fire functions, contracts, equipment, assets and liabilities currently a part of County Service Area 56 Improvement Zone F-1 are intended to be transferred to the County Consolidated Fire Protection District through consideration of LAFCO 3000 (County Fire Reorganization). If LAFCO 3000 is not completed upon the effective date of this reorganization, the fire functions, including property tax revenues, as stipulated in Condition Nos. 12 and 13 below, associated with CSA 56 and CSA 56 Improvement Zone F-1 shall be transferred temporarily to County Service Area 70 (fire administration) to allow for continued operation and protection of identified revenues. A condition of approval shall also be included in LAFCO 3000 identifying this situation;

**Condition No. 11.** All property tax revenues attributable to County Service Area 9 and County Service Area 70 Improvement Zone L, prior to calculations required by Section 96.1 of the Revenue and Taxation Code, including delinquent taxes, and any and all other collections or assets of the Districts to be dissolved, shall accrue and be transferred to the successor District, the Phelan Piñon Hills CSD, pursuant to the provisions of Government Code Section 56810;

**Condition No. 12.** Property tax revenues attributable to the park and recreation functions of County Service Area 56 Improvement Zone F-1, including delinquent taxes and any and all other collections or assets, shall be transferred to the successor District, the Phelan Piñon Hills CSD, pursuant to the provisions of Government Code Section 56810 subject to the following terms:

1. Fire protection revenues currently a part of the property tax allocation for County Service Area 56 Improvement Zone F-1, determined to be \$191,749 for Fiscal Year 06-07 shall be transferred to the San Bernardino County Fire Protection District as a function of LAFCO 3000. However, if LAFCO 3000 is not completed upon the effective date of LAFCO 3070, the fire functions, including property tax revenues, associated with CSA 56 Improvement Zone F-1 shall be transferred temporarily to County Service Area 70 to allow for continued operation and protection of identified revenues. A condition of approval shall also be included in

## RESOLUTION NO. 2994

LAFCO 3000 identifying this situation.

2. Park and recreation revenues currently a part of the property tax allocation of County Service Area 56 Improvement Zone F-1 estimated to be \$42,091 for Fiscal Year 06-07 shall be increased by \$33,314 through a transfer of property tax revenues from County Service Area 56 under the provision of Section 99.02 of the Revenue and Taxation Code. The total property tax transfer pursuant to Government Code Section 56810 shall be \$75,405;

**Condition No. 13.** The property tax revenues attributable to County Service Area 56 within the area proposed to be detached as a function of this reorganization shall be allocated, pursuant to Government Code Section 56810, as follows:

1. Fire protection revenues currently a part of the property tax allocation of County Service Area 56, determined to be \$575,482 for Fiscal Year 06-07, shall be increased by \$50,944 to a total of \$626,426, and shall be distributed to the San Bernardino County Fire Protection District as a function of the review of LAFCO 3000. However, if LAFCO 3000 is not completed upon the effective date of this reorganization, the fire functions, including property tax revenues, associated with CSA 56 within the reorganization shall be transferred temporarily to County Service Area 70 to allow for continued operation and protection of identified revenues. A condition of approval shall also be included in LAFCO 3000 identifying this situation.
2. The distribution of revenues for park functions within the Tax Rate Areas which comprise the CSA 56 territory within the Wrightwood community shall distribute their revenues identified for Fiscal Year 06-07 as \$740,631 for fire protection and \$101,889 for park purposes to secure the funding previously received from the Piñon Hills portion of CSA 56. This adjustment, associated with LAFCO 3000, shall fulfill the Mitigation Measure approved by the Commission on May 16, 2007, through adoption of the Mitigated Negative Declaration for LAFCO 3070.

**Condition No. 14.** All previously authorized charges, fees, assessments, and/or taxes of County Service Area 70 Improvement Zone L, County Service Area 9, and County Service Area 56 Improvement Zone F-1 in effect upon the effective date of this reorganization shall be continued and assumed by the Phelan Piñon Hills CSD, as the successor agency, in the same manner as provided in the original authorization pursuant to the provisions of Government Code Section 56886(t) and as may be modified by Condition Nos. 11, 12 and 13 above;

**Condition No. 15.** Until duly revised by the Phelan Piñon Hills CSD, and unless otherwise expressly provided herein or legally required, all ordinances, resolutions, rules and regulations, policies, procedures, and practices existing on the effective date of this reorganization shall govern the activities and affairs of the Successor District. The Board of Directors of the Phelan Piñon Hills CSD, the successor district, shall expeditiously review and ratify the ordinances, resolutions, policies, procedures and practices adopted hereby, making such revisions as it shall deem appropriate;

**Condition No. 16.** Upon the effective date of this reorganization, any funds currently deposited for the benefit of County Service Area 70 Improvement Zone L, County Service

## RESOLUTION NO. 2994

Area 9, and County Service Area 56 Improvement Zone F-1 which have been impressed with a public trust, use or purpose shall be transferred to the Phelan Piñon Hills CSD, as the successor agency, and the successor agency shall separately maintain such funds in accordance with the provisions of Government Code Section 57462;

**Condition No. 17.** Pursuant to the provisions of Government Code Section 56811, the provisional appropriation limit of the Phelan Piñon Hills CSD shall be set at \$1,203,876. The permanent appropriation limit shall be established at the first district election held following the first full fiscal year of operation and shall not be considered to be a change in the appropriation limit of the district pursuant to Article XIII B of the California Constitution;

**Condition No. 18.** All streetlights currently the responsibility of County Service Area 9 shall be transferred to the Phelan Piñon Hills CSD upon successful formation of the District. The County Special Districts Department shall prepare the appropriate documentation to transfer the lights; LAFCO staff shall verify the date, and forward the signed authorization form requesting Southern California Edison to transfer the specific lights to the Phelan Piñon Hills CSD accounts upon successful completion of LAFCO 3070.

**Condition No. 19.** Pursuant to the provisions of Government Code Section 56885.5(a)(4), the County Board of Supervisors, as the governing body of County Service Area 70 Improvement Zone L, County Service Area 9 and County Service Area 56 Improvement Zone F-1, is prohibited from taking the following actions unless an emergency situation exists as defined in Section 54956.5:

1. Approve any increase in compensation or benefits for members of the governing body, its officers, or the executive officer of the agency;
2. Appropriating, encumbering, expending or otherwise obligating, any revenues of the agencies beyond that provided in the current budget at the time the reorganization is approved by the Commission. The Commission identifies that the budget to be utilized in this condition shall be the final budget for Fiscal Year 2007-08 adopted by the County Board of Supervisors on June 26, 2007;

**Condition No. 20.** Pursuant to Government Code Section 56886.1, public utilities, as defined in Section 216 of the Public Utilities Code, have ninety (90) days following the recording of the Certificate of Completion to make the necessary changes to impacted utility customer accounts;

**Condition No. 21.** The protest period for the reorganization under LAFCO 3070 shall be the statutory minimum of fifteen (15) calendar days.

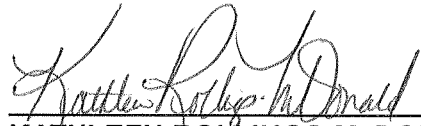
**Condition No. 22.** The County of San Bernardino, applicant, shall indemnify, defend, and hold harmless the Commission from any legal expense, legal action, or judgment arising out of the commission's approval of this proposal, including any reimbursement of legal fees and costs incurred by the Commission.

- (f) That a Certificate of Completion, as required by Government Code Sections 57176 through 57203, and a Statement of Boundary Change, as required by Government Code

**RESOLUTION NO. 2994**

Section 57204, shall be prepared and filed.

**ADOPTED ON MARCH 18, 2008**



**KATHLEEN ROLLINGS-McDONALD**  
Executive Officer





## LAFCO 3070

REORGANIZATION TO INCLUDE FORMATION OF PHELAN PINON HILLS  
COMMUNITY SERVICES DISTRICT, DETACHMENT FROM COUNTY SERVICE AREA 56,  
AND DISSOLUTION OF COUNTY SERVICE AREA 9, COUNTY SERVICE AREA 56  
IMPROVEMENT ZONE F-1, AND COUNTY SERVICE AREA 70 IMPROVEMENT ZONES L AND P-4

Including all of Townships 4 and 5 North, Range 7 West, and portions of Township 5 North, Range 6 West; Township 4 North, Range 6 West; Township 3 North, Range 6 West, all of San Bernardino Meridian, in the County of San Bernardino, State of California, described as follows:

**Beginning** at the intersection of the common boundary line of the Counties of Los Angeles and San Bernardino, with the north line of Township 5 North, Range 7 West, San Bernardino Meridian( S.B.M.), being also a point on the centerline of Rancho Road;

1. Thence easterly along the north line of Township 5 North, Ranges 7 and 6 West, S.B.M., to the northeast corner of Section 4, Township 5 North, Range 6 West, S.B.M.;
2. Thence southerly along section lines to the northwest corner of Section 22, Township 5 North, Range 6 West, S.B.M.;
3. Thence easterly along the north line of said Section 22 to the northeast corner of said section;
4. Thence southerly along section lines, to the north line of the South Half of the Northwest Quarter of Section 11, Township 4 North, Range 6 West, S.B.M., said line also being the centerline of Solano Road;
5. Thence easterly along said line and said centerline to the west line of East Half of the East Half of said Section 11, said line also being the centerline of Trinidad Road;
6. Thence southerly along said section line and said centerline to the north line of the East Half of the East Half of the Southeast Quarter of said Section 11, said center line also being the centerline of Mesa Road;
7. Thence easterly along said line of said Section 11 and said centerline, and along the East-West Center Section line of Section 12, Township 4 North, Range 6 West, S.B.M., to the east line of said Section 12;
8. Thence southerly along section lines to the southeast corner of Section 1, Township 3 North, Range 6 West, S.B.M.;
9. Thence westerly along section lines to the southwest corner of Section 2, Township 3 North, Range 6 West, S.B.M.;
10. Thence northerly along the west line of said Section 2 to the south line of Township 4 North, Range 6 West, S.B.M.;

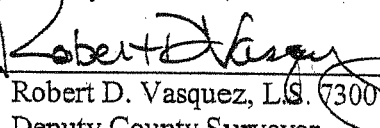
11. Thence westerly along the south line of Township 4 North, Ranges 6 and 7 West, S.B.M., to the common boundary line between the Counties of Los Angeles and San Bernardino;
12. Thence northerly along said common boundary line to the **Point of Beginning**.

The above described area contains 128 square miles, more or less.

This legal description was prepared by me  
or under my direction.

Daniel C. Moye,  
County Surveyor

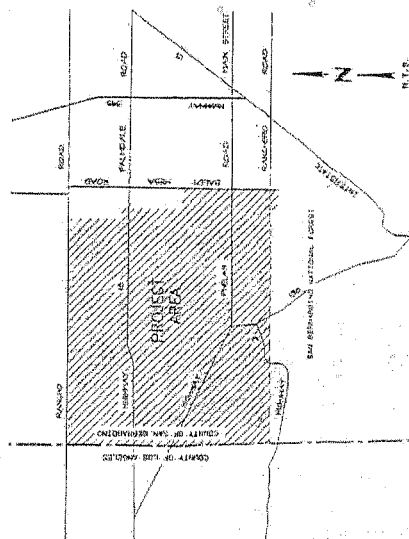
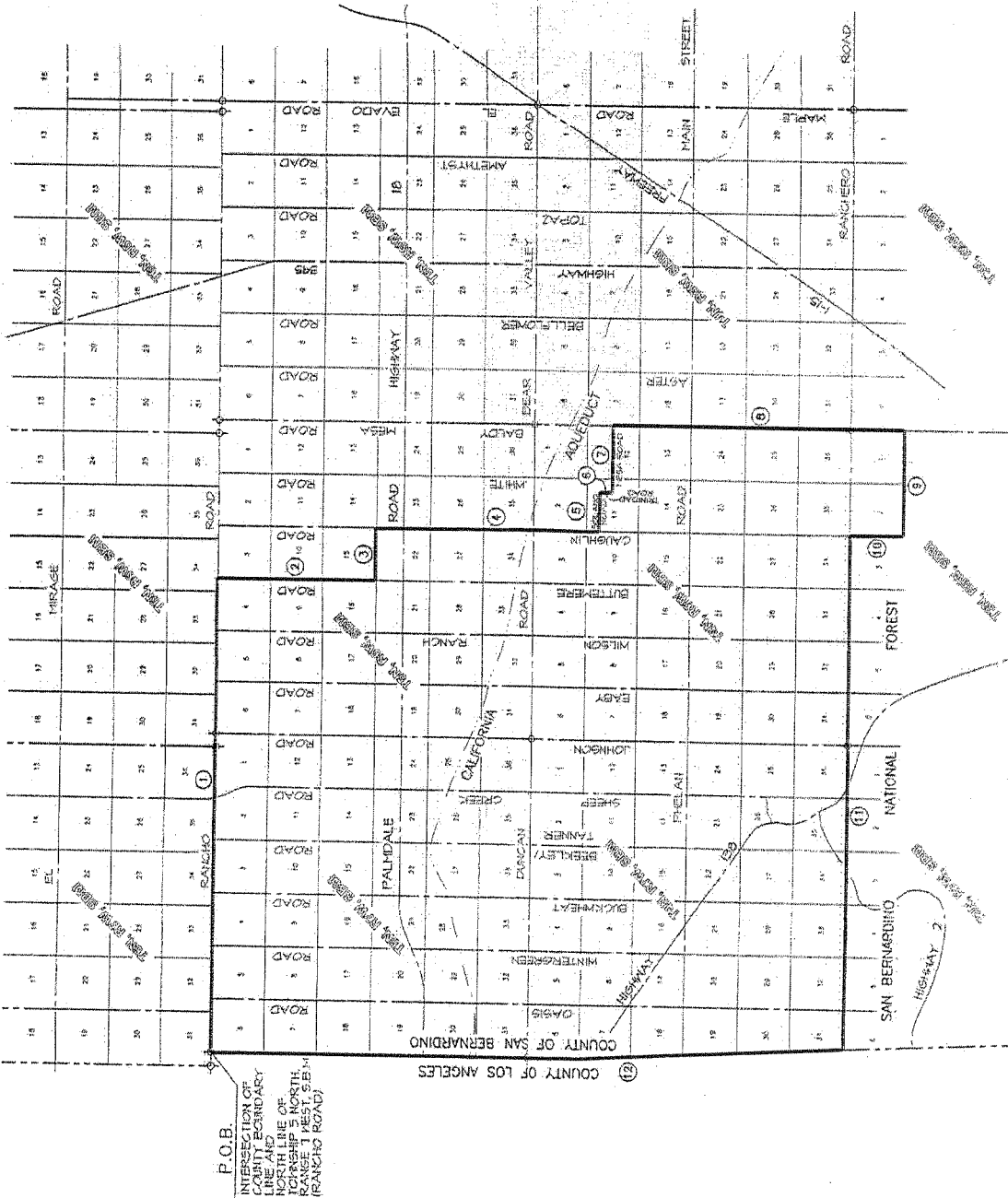
By:

  
Robert D. Vasquez, L.S. 7300  
Deputy County Surveyor

8/29/05  
Date

# LAFCO 3070

REORGANIZATION TO INCLUDE FORMATION OF PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT,  
DETACHMENT FROM COUNTY SERVICE AREA 56, AND DISSOLUTION OF COUNTY SERVICE AREA 9, COUNTY  
SERVICE AREA 56 IMPROVEMENT ZONE F-1, AND COUNTY SERVICE AREA 70 IMPROVEMENT ZONES L AND P-4



## VICINITY MAP

### LEGEND

- INDICATES THE COURSE NUMBER PER THE LEGAL DESCRIPTION
- INDICATES THE PROPOSED BOUNDARY
- INDICATES LOS ANGELES / SAN BERNARDINO COUNTIES COMMON BOUNDARY LINE
- INDICATES TOWNSHIP CORNERS
- THIS INFORMATION PROPOSAL CONTAINS 128 SQUARE MILES MORE OR LESS

**SAN BERNARDINO COUNTY SURVEYOR**  
825 E. Third Street San Bernardino, CA 92415-0835

**LAFCO 3070**  
PHELAN PINON HILLS  
COMMUNITY  
SERVICES DISTRICT

DATE: 12/20/2010  
BY: [Signature]  
FOR: [Signature]

## GENERAL DESCRIPTION

THE AREA ENCOMPASSES THE COMMUNITIES KNOWN AS PHELAN AND PINON HILLS

## LAFCO 3070

### REORGANIZATION TO INCLUDE FORMATION OF PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT, DETACHMENT FROM COUNTY SERVICE AREA 56, AND DISSOLUTION OF COUNTY SERVICE AREA 9, COUNTY SERVICE AREA 56 IMPROVEMENT ZONE F-1, AND COUNTY SERVICE AREA 70 IMPROVEMENT ZONES L AND P-4

### DETACHMENT FROM COUNTY SERVICE AREA 56

That portion of Townships 4 and 5 North, Range 7 West, San Bernardino Meridian, in the County of San Bernardino, State of California, described as follows:

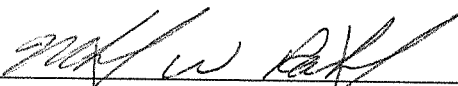
**Beginning** at the Northwest corner of Section 18, said Township 5 North, Range 7 West, said corner being also on the San Bernardino County line:

- 1) Thence East along section lines to the Northeast corner of Section 15;
- 2) Thence South along section lines to the Northwest corner of Parcel 2, Parcel Map No. 4086, as per map recorded in Book 38 of Parcel Maps, pages 3 and 4, records of said County, said point being South  $0^{\circ} 17' 00''$  East, 333.47 feet along the West line of Section 23, said Township 4 North, Range 7 West, from the Northwest corner of said Section 23;
- 3) Thence South  $89^{\circ} 28' 33''$  East, 329.65 feet along the North line of said Parcel 2 to the Northeast corner thereof;
- 4) Thence South  $0^{\circ} 17' 54''$  East, 333.32 feet along the East line of said Parcel 2 to the Southeast corner thereof;
- 5) Thence North  $89^{\circ} 30' 19''$  West, 329.73 feet along the South line of said Parcel 2 to the West line of Section 23;
- 6) Thence South along said West line to the center line of State Highway 138;
- 7) Thence Southeasterly along said center line to the South line of said Township 4 North, Range 7 West;
- 8) Thence West along said South line to the San Bernardino County line;
- 9) Thence North along said County line to the **Point of Beginning**.

The total area contains 25,682 acres, more or less.

This legal description was prepared by me or under my direction.

Daniel C. Moye,  
County Surveyor

By:  9/24/07  
Michael W. Raihle, L.S. No. 6206 Date  
Deputy County Surveyor

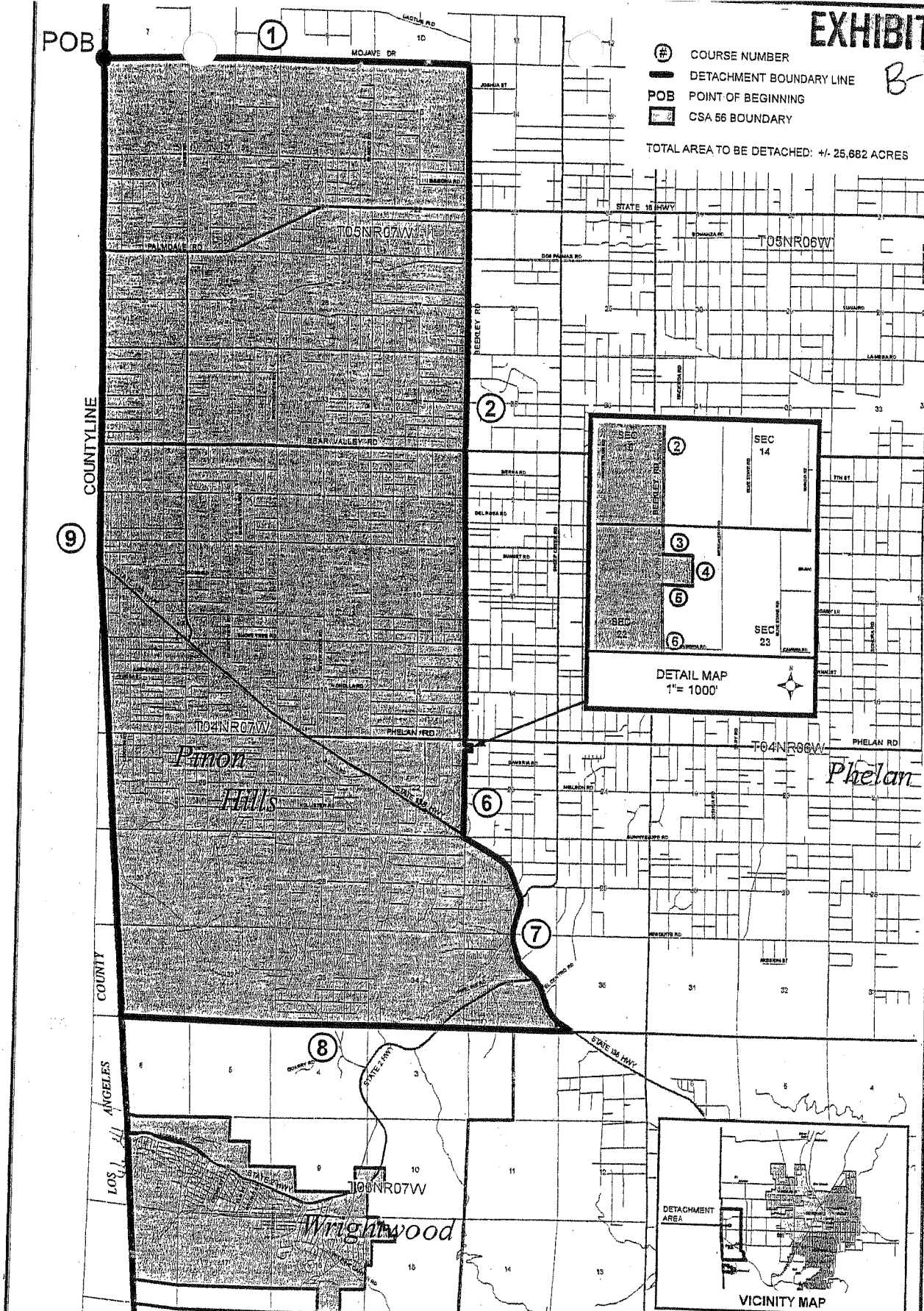


# EXHIBIT

B-1

- ② COURSE NUMBER
- DETACHMENT BOUNDARY LINE
- POB POINT OF BEGINNING
- CSA 56 BOUNDARY

TOTAL AREA TO BE DETACHED: +/- 25,682 ACRES



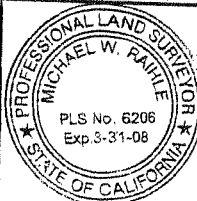
1 inch = 5000 ft.

**ISD**

Daniel C. Moya  
County Surveyor  
County of San Bernardino

By: *[Signature]*  
Michael W. Rathle, L.S. # 6206  
Deputy County Surveyor

Date: 9/24/07



## LAFCO 3070

REORGANIZATION TO INCLUDE FORMATION OF PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT, DETACHMENT FROM COUNTY SERVICE AREA 56, AND DISSOLUTION OF COUNTY SERVICE AREA 6, COUNTY SERVICE AREA 56 IMPROVEMENT ZONES F-1, AND COUNTY SERVICE AREA 70 IMPROVEMENT ZONES L AND P-4

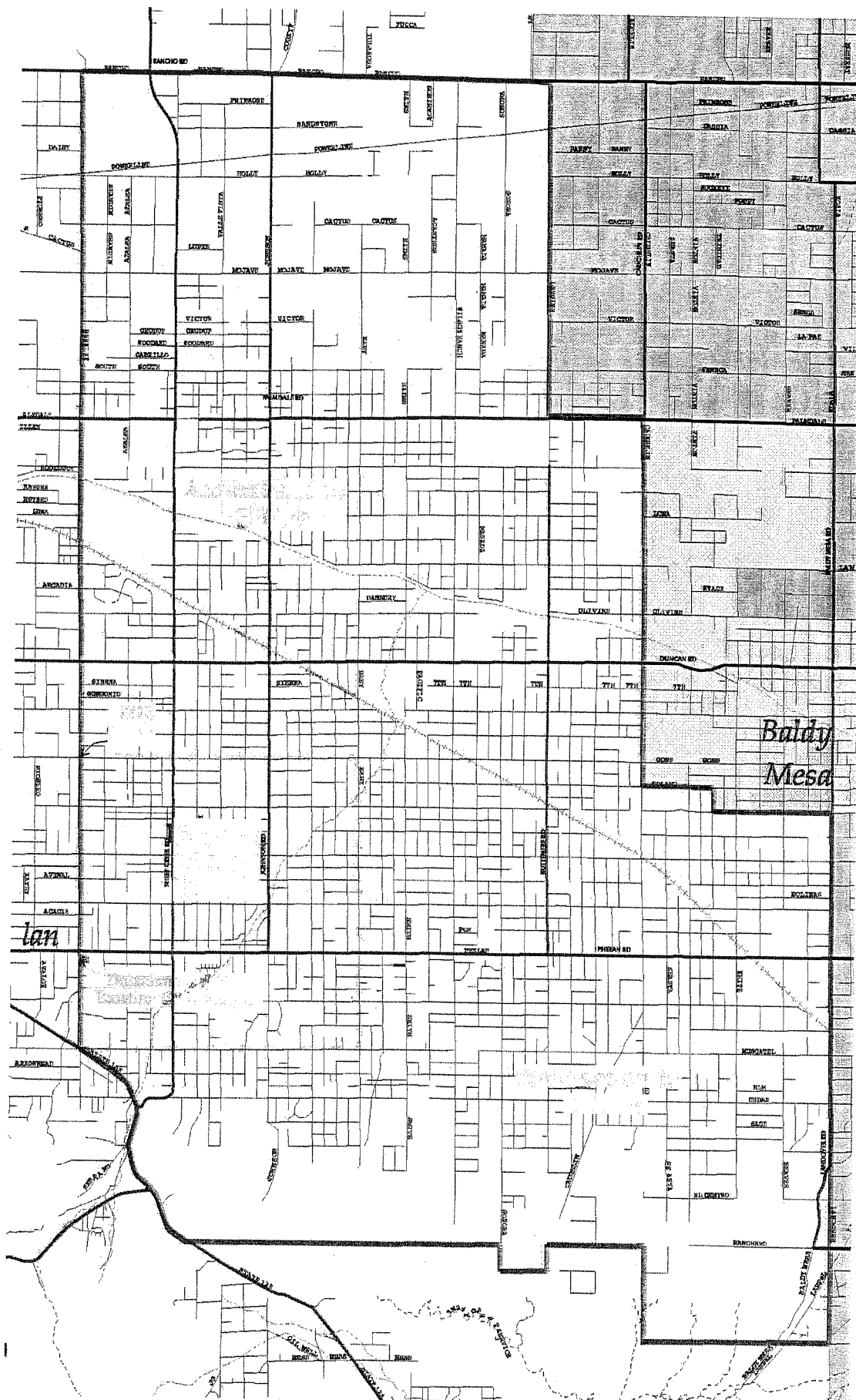
## DETACHMENT FROM COUNTY SERVICE AREA 56

### GENERAL DESCRIPTION

THE AREA ENCOMPASSES THE COMMUNITY KNOWN AS PINON HILLS. THE AREA IS BORDERED BY THE COMMUNITY OF EL MIRAGE ON THE NORTH, THE COMMUNITY OF PHELAN ON THE EAST, THE NATIONAL FOREST BOUNDARY ON THE SOUTH, AND THE SAN BERNARDINO COUNTYLINE ON THE WEST

# EXHIBIT

B-1



# **LAFCO 3070 - DISSOLUTION OF COUNTY SERVICE AREA 9**

EXHIBIT C

CSA 9 Boundary



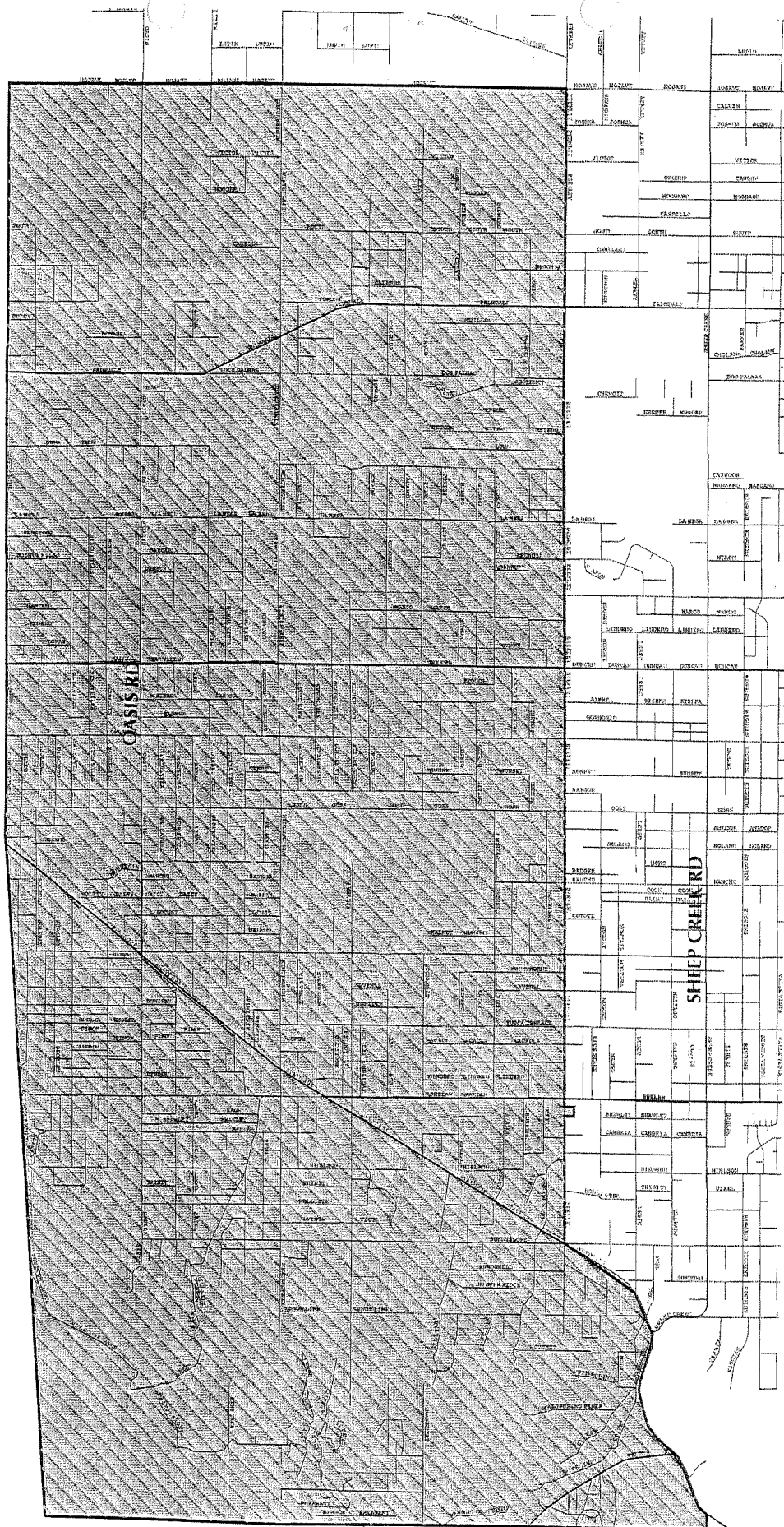
Map Prepared On June 10, 2005

Friday June 10, 2005 5:08 PM

Map Scale 1" = 4491.3145454545 ft









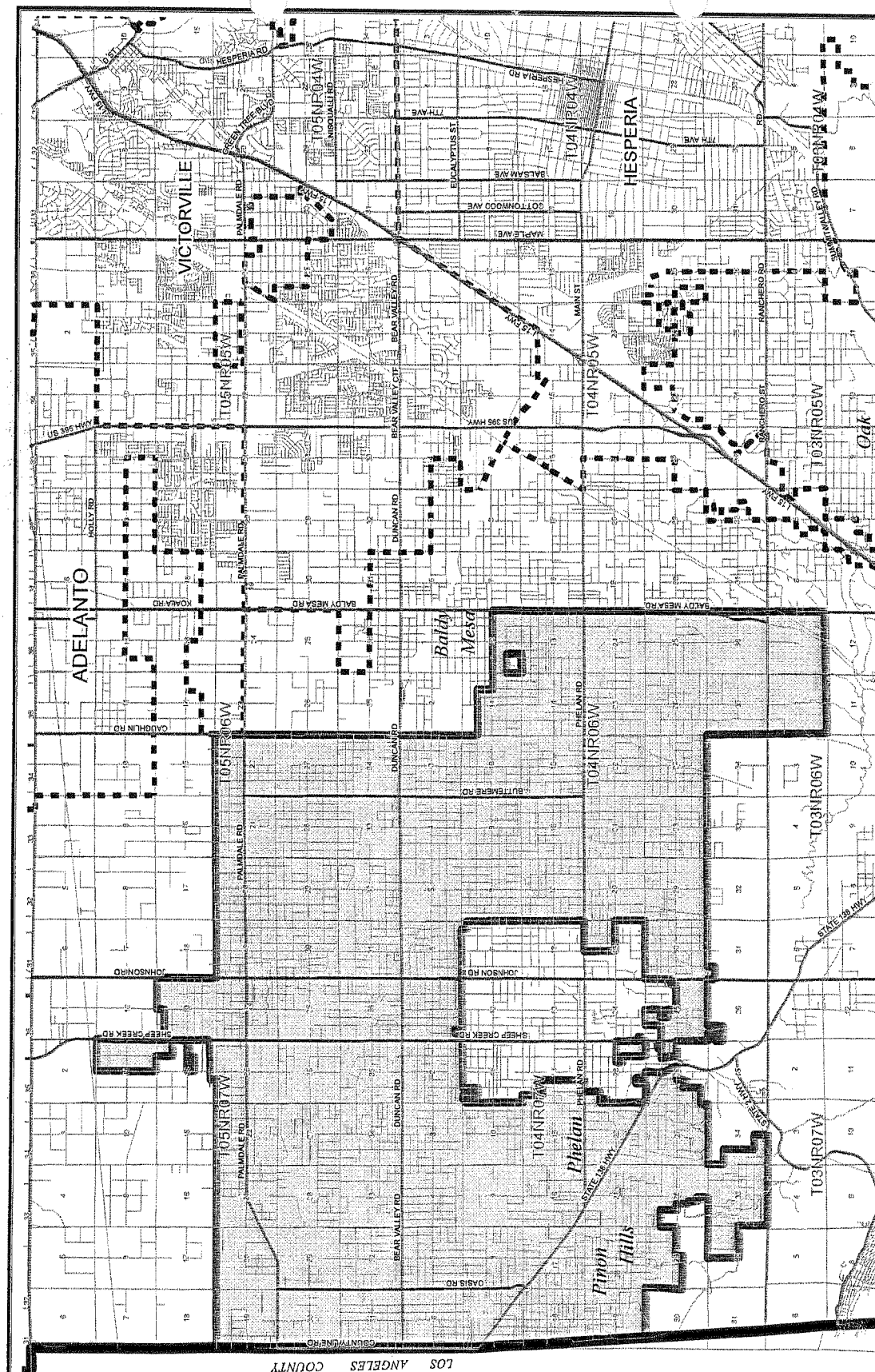
**LAFCO 3070 - DISSOLUTION OF  
COUNTY SERVICE AREA 56 IMPROVEMENT ZONE F-1**  
**EXHIBIT D**

Map Prepared On November 03, 2004

 District Boundary  
 District Sphere of Influence



**LAFCO 3070 - DISSOLUTION OF  
COUNTY SERVICE AREA 70 IMPROVEMENT ZONE L**



DRAFT

COUNTY OF SAN BERNARDINO  
SPECIAL DISTRICTS DEPARTMENT  
  
TRANSITION PLAN

---

Phelan Pinón Hills Community Services District  
August 1, 2007

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RECEIVED  
AUG 02 2007

LAFCO  
San Bernardino County

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## TRANSITION PLAN

The County of San Bernardino, Special Districts Department (SDD) proposes the following actions take place to transition services from the SDD to the Phelan Pinõn Hills Community Services District (PPHCSD) upon the issuance of the Certificate of Completion by the Local Agency Formation Commission (LAFCO) officially forming the new entity. These recommendations are not to be considered all inclusive of every action necessary to guarantee or ensure the smooth transition of services; however, they do identify those actions required during the mandated transition period from formation until close of the fiscal year. This period is referred to in this document as the "transition period". Exhibits to this document include draft contracts required to implement required actions during the transition period, dissolving the existing entities, and finalizing the formation of the new District (PPHCSD) (see Sections A through E).

As a part of this Transition Plan, actions taken by PPHCSD are at its discretion. SDD cannot be held liable for any failure of PPHCSD to perform actions required to facilitate the transition based on any exclusion of actions from the recommendations enclosed herein. PPHCSD shall be able to seek remedies should SDD fail to perform the actions outlined in this transition plan or any other arrangements that are agreed to by representatives of the County of San Bernardino and SDD.

The transition of duties, responsibilities, authority, and documents maintained by and authorized by SDD, are divided into two main categories: transfer of duties and responsibilities and transfer of assets. Section A provides contract terms for the provision of SDD personnel to function in the capacity of Interim General Manager (IGM) of PPHCSD upon its formation during the transition period or until such time as a permanent General Manager is selected by PPHCSD Board. The costs associated with providing this service, according to the terms of the contract, are to be billed quarterly by SDD, in advance, for the duration of the contract.

The following provides an outline of services and administrative support to be provided by SDD to PPHCSD during the transition period.

### SDD – EXECUTIVE SUPPORT

Executive personnel and staff provide leadership and administrative support to all divisions. The transfer of responsibility is effective upon the finalized formation of PPHCSD and the dissolution of the existing entities. The cost for providing executive support shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing this service is 1.89, with an estimated cost of \$73,872

The final transfer of executive support functions from SDD to PPHCSD shall be initiated by PPHCSD through direct action of its Board of Directors and is dependant upon PPHCSD employing staff or contracting from available service providers to perform the mandatory functions.

**SDD - WATER/SANITATION DIVISION (WAS) - OPERATING COUNTY SERVICE AREA 70 IMPROVEMENT ZONE L (CSA 70L)****Business Operations Section**

Section B outlines the contractual provisions for the continuing of business services during the transition period to PPHCSD from SDD and CSA 70L. The transfer of responsibility is effective upon the finalized formation of PPHCSD and the dissolution of the existing entity (CSA 70L). The cost for providing this service shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing this service is 3.49, with an estimated cost of \$85,451

The final transfer of all business operations duties from WAS to PPHCSD shall be initiated by PPHCSD through direct action of its Board of Directors and is dependant upon PPHCSD employing staff or contracting from available service providers to perform the mandatory duties.

The transfer of responsibility, information, documentation and physical assets to be provided to PPHCSD shall include, but not be limited to the following:

1. Hard copies and/or electronic files of customer account data.
2. Hard copies and/or electronic files of billing data.
3. Hard copies and/or electronic files of CSA 70L logs, permits, project files, assessment district "Engineer Reports", and active correspondences related to PPHCSD.
4. Notify all regulatory and permitting agencies to transfer and/or reestablish permits, licenses, rights, etc. SDD personnel operating as Interim General Manager to assist in providing for this transition. Coordinate transfer of properties including land, facilities, vehicles, equipment, utilities, etc.
5. Provide related Watermaster documentation.
6. PPHCSD shall be required to initially adopt the Rules, Regulations, Ordinances, Fee Package, and Purchasing Policy of SDD/WAS following formation until such time as their review, amendment and adoption by PPHCSD occurs in a manner as required by law.
7. Provide all CSA 70L related historical data, which includes all regulatory reporting.
8. Arrange for transfer of any assets that may be associated with PPHCSD.

**Water Operations Section**

Section B outlines the contractual provisions for the continuing of services during the transition period for the operation of the water system transferred to PPHCSD from CSA 70L. The transfer of responsibility is effective upon the finalized formation of PPHCSD and the dissolution of the existing entity (CSA 70L). The cost for providing this service shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing this service is 23.91, with an estimated cost of \$538,596.

The final transfer of all water operations duties from WAS to PPHCSD shall be initiated by PPHCSD through direct action of its Board of Directors and is dependant upon PPHCSD employing staff or contracting from available service providers to perform the mandatory duties.

Transfer of Duties and Responsibilities includes, but is not limited to:

1. Cancellation of existing licenses and permits in the name of SDD/WAS for the operation of the water delivery system to allow PPHCSD to apply for the required licenses and permits for operation of the water system. SDD personnel operating as Interim General Manager to assist in providing for this transition.
2. Arrange to transfer CSA 70L equipment and physical assets to PPHCSD.
3. Provide all district related water quality data and sampling/backflow program data to PPHCSD.
4. Provide contact information to establish accounts with parts and materials suppliers, contractors and other vendors.
5. Provide meter reading route books and associated maps.
6. Provide related field/ operational historical data.
7. Transfer all video well logs, e-logs, deviation logs, as-builds, maintenance manuals including associated records etc.

**SDD – REGIONAL OPERATIONS DIVISION (SDD OPS) - OPERATING COUNTY  
SERVICE AREA 9 PHELAN (CSA 9) AND COUNTY SERVICE AREA 56 IMPROVEMENT  
ZONE F-1 PINÖN HILLS (CSA 56 F-1)**

**County Service Area 9**

Section B outlines the contractual provisions for the continuing of streetlights, park and recreational services during the transition period for the operation of Phelan parks and Senior Center transferred to PPHCSD from CSA 9. The transfer of responsibility is effective upon the

finalized formation of PPHCSD and the dissolution of the existing entity (CSA 9). The cost for providing these services shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing these services is 0.07, with an estimated cost of \$3,289. Additionally, the number of part-time contract employees allocated to CSA 9 is 5.0 with an estimated cost \$9,001.

The final transfer of services from CSA 9 to PPHCSD shall be initiated by PPHCSD through direct action of its Board of Directors and is dependant upon PPHCSD employing staff or contracting from available service providers to perform the mandatory duties.

Transfer of Duties and Responsibilities:

1. As a condition of approval, current County Service Area 9 contract employee(s) shall be transferred to PPHCSD with assumption of all existing contract provisions (rates of pay, leave balances, any benefits which apply, or other conditions of employment).
2. As a condition of approval, the Southern California Edison streetlight accounts are to be transferred to PPHCSD upon from the effective date of the formation.
3. A certified inventory of the existing Streetlights shall be provided to PPHCSD upon its formation.
4. All forms used in conjunction with the payment for and provision of streetlight services to be given to PPHCSD (request for new streetlights, report streetlight outage, payment documents etc).
5. All Southern California Edison contact information to be provided to PPHCSD.
6. Upon finalization of PPHCSD formation, all properties held in the name of CSA 9 shall be transferred to PPHCSD (LAFCO condition of approval). Keys to buildings, vehicles and equipment shall be transferred to PPHCSD.
7. All operating manuals, warranties, etc. for equipment, buildings and/or appurtenances will be provided to PPHCSD.
8. The existing contract with the Phelan Senior Center shall be succeeded by PPHCSD (LAFCO condition of approval). Responsibility for update, change and/or transfer of contract will be the responsibility of PPHCSD.
9. The Agreement/Contract with the County of San Bernardino, Department of Community Development and Housing for funding of the Senior Lunch program with CDBG block grant funds shall be updated to reflect PPHCSD as the successor agency (LAFCO condition of approval). Responsibility for update, change and/or transfer of contract will be the responsibility of PPHCSD.

**County Service Area 56, Improvement Zone F-1**

Section B outlines the contractual provisions for the continuing of park and recreational services during the transition period for the operation of the Pinõn Hills parks and Community Center transferred to PPHCSD from CSA 56 F-1. The transfer of responsibility is effective upon the finalized formation of PPHCSD and the dissolution of the existing entity (CSA 56 F-1). The cost for providing these services shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing these services is 0.06, with an estimated cost of \$2,878. Additionally, the number of part-time contract employees allocated to CSA 56 F-1 is 5.0 with an estimated cost \$8,550.

The final transfer of services from CSA 56 F-1 to PPHCSD shall be initiated by PPHCSD through direct action of its Board of Directors and is dependant upon PPHCSD employing staff or contracting from available service providers to perform the mandatory duties.

**Transfer of Duties and Responsibilities:**

1. As a condition of approval, current County Service Area 56 Improvement Zone F-1 contract employee(s) shall be transferred to PPHCSD with assumption of all existing contract provisions (rates of pay, leave balances, any benefits which apply, or other conditions of employment)
2. Upon finalization of PPHCSD formation, all properties held in the name of CSA 56 F-1 shall be transferred to PPHCSD (LAFCO condition of approval). Keys to buildings shall be transferred to PPHCSD.
3. All operating manuals and warranties will be provided to PPHCSD.
4. The existing contract with the Pinõn Hills Community Center shall be succeeded by PPHCSD (LAFCO condition of approval). Responsibility for update, change and/or transfer of contract will be the responsibility of PPHCSD
5. The Agreement/Contract with the County of San Bernardino, Department of Community Development and Housing for funding of the Senior Lunch program with CDBG block grant funds shall be updated to reflect PPHCSD as the successor agency (LAFCO condition of approval). Responsibility for update, change and/or transfer of contract will be the responsibility of PPHCSD.
6. Proposition 40 State Grant Funds allocation of \$500,000 (pending actual receipt) was designated for the Phelan Pinõn Hills area (CSA 9/CSA 56 Zone F-1) to assist in developing a community park. Per communication with the State, these funds will need to be administered by SDD on behalf of PPHCSD. An agreement between SDD and PPHCSD will need to be entered into for the funds to be used for their intended purpose.



**SDD – ENGINEERING/CONSTRUCTION DIVISION (SDD- ENG)**

Section B outlines the contractual provisions for the continuing of engineering/ construction services during the transition period for the operation and maintenance of the water system transferred to PPHCSD through dissolution of CSA 70L as well as other engineering/construction services. The transfer of responsibility is effective upon the finalized formation of PPHCSD and the dissolution of the existing entity (CSA 70L). The cost for providing these services shall be billed monthly, in arrears, to PPHCSD for payment. The number of Full-Time Equivalent (FTE) positions required for providing these services is dependent upon actual hours worked by SDD Engineering Staff. The charge for engineering services is calculated using the productive hourly rate for hours worked and adding an administrative component.

The final transfer of all duties and responsibilities from SDD-ENG to PPHCSD shall be initiated by PPHCSD through direct action of its Board of Directors and is dependant upon PPHCSD employing staff or contracting from available service providers to perform the mandatory duties.

The transfer of these duties and responsibilities includes, but is not limited to:

1. Transfer of Land Use Services duties from SDD-ENG to PPHCSD, effective upon the formation of the District.
2. Transfer of Development Services duties from SDD-ENG to PPHCSD, initiated by PPHCSD and is dependant upon the entity employing staff to perform these duties.
3. Upon formation of the PPHCSD, the Board of Directors shall adopt SDD's Capital Improvement Program (CIP). All current active CIP projects will be taken to completion.
4. The Department shall transfer the management and maintenance of documents to PPHCSD. The transfer shall include, but not be limited to:
  - a. Original drawings of CIP improvements and developer built water improvement drawings, park improvement drawings, and the location of streetlight facilities. Copies of disks containing the digital files for the as-built drawings will also be provided. Not all projects and improvements have digital files available.
  - b. Hard copies and computer files (where available) for all water and park master plans, focused studies, grant/loan application packages and other planning documents.
  - c. Hard copies and computer files for water hydraulic model (H2Onet).
  - d. Hard copies and computer files (where available) for all service policies and procedural documents shall be provided to PPHCSD. PPHCSD shall be required

- to initially adopt these policies and procedures following formation until such time as they can be reviewed in the manner required by law for amendment.
- e. Hard copies and computer files (where available) for Rules, Regulations, Ordinances, Fee Package, Purchasing Policy and other governing. PPHCSD shall be required to initially adopt these policies and procedures following formation until such time as they can be reviewed in the manner required by law for amendment.

#### **SDD – HUMAN RESOURCES DIVISION (HR)**

Section B outlines the contractual provisions for the continuing of Human Resource services during the transition period to PPHCSD. The transfer of duties and responsibility is effective upon the finalized formation of PPHCSD and the dissolution of the existing entities (CSA 70L, CSA9, CSA 56F-1). The cost for providing this service shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing this service is 0.46, with an estimated cost of \$17,563.

The final transfer of all human resource duties from SDD -HR to PPHCSD shall be initiated by PPHCSD through direct action of its Board of Directors and is dependant upon PPHCSD employing staff or contracting from available service providers to perform the mandatory duties.

During the transition period identified in Section B, the transfer of Human Resources duties and responsibilities from the SDD-HR to the PPHCSD is limited to all personnel data and records as well as benefit calculations. Payroll records for Special District Department personnel will remain with the SDD-HR. Personnel data, records, benefit administration and payroll records for those contract employees of CSA 9 and CSA 56 Zone F-1 shall be transferred to the PPHCSD.

Transfer of Duties and Responsibilities includes, but is not limited to:

1. Provide copies of Rules, Regulations, Ordinances, and other related personnel documents governing Human Resource activities within the Department if the new district is interested in reviewing for possible use as an interim step in setting up their employee needs.
2. Division staff will continue to provide Human Resource services, including payroll and employee relations until PPHCSD no longer contracts with SDD for the provision of these services.
3. Schedule meetings with PPHCSD staff to review potential to develop a comprehensive plan to transition Human Resource services from the SDD to PPHCSD.

**SDD- BUDGET/FINANCE DIVISION**

Section B outlines the contractual provisions for the continuing of Fiscal services, from the effective date of the change till the close of the Fiscal Year, for services previously provided by the Budget and Finance Division. The transfer of responsibility is effective upon the formation of the District and the dissolution of the existing entities. The cost for providing these services shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing this service is 2.05, with an estimated cost of \$65,470.

The transfer of the duties and responsibilities from the Budget/Finance Division to the PPHCSD shall be initiated by PPHCSD and is dependent upon the District employing additional staff or contracting from available service providers to perform these duties.

Transfer of Duties and Responsibilities include, but are not limited to:

1. Identify vehicles and equipment of which the ownership will be transferred to the new district (see Section B).
2. Implement the SDD/PPHCSD fair share plan to distribute equipment pool assets currently owned by the SDD Water/Sanitation Division as outlined (See Section D).
3. Upon the effective date of formation and dissolution, request the Auditor/Controller to assign fund/department codes for PPHCSD new agency funds, replacing the existing entity's enterprise funds.
4. Develop a process to transfer incoming payments and outstanding payables received subsequent to the transition.
5. Hard copies and/or electronic files of collection activity i.e. payment arrangements, payment extensions and related banking information including Non Sufficient Funds (NSF) checks.
6. Contact the County of San Bernardino, Auditor/Controller/Recorder to establish PPHCSD as the new contact for all Notices of Condition/Liens for delinquent charges recorded in CSA 70L and update the fund code that all future funds/payments will be deposited into. Additionally, the Division shall provide a hard copy of the accounts to PPHCSD.
7. Deactivate and close cash balances from existing entity funds and transfer to PPHCSD funds, providing PPHCSD Board of Directors with outline of transfer amounts.
8. Discontinue payment documents from and receiving deposits into existing entity funds.

9. Begin paying documents from and receiving deposits into PPHCSD funds.
10. Establish signature authorization for PPHCSD funds.
11. Establish PPHCSD Board signature procedures to allow PPHCSD direct payments.
12. Transfer fiscal records to PPHCSD upon effective date of formation, in coordination with PPHCSD Board of Directors.
13. Implement cash handling procedures.
14. Provide contact information for materials and services vendors.
15. Assist in the transfer of utilities accounts to PPHCSD as customer/owner.

#### **SDD- INFORMATION SERVICES DIVISION (ISD)**

Section B outlines the contractual provisions for the continuing of information services, from the effective date of the change until the close of the Fiscal Year, for services previously provided by the Information Services Division. The transfer of responsibility is effective upon the formation of the District and the dissolution of the existing entities. The cost for providing these services shall be billed quarterly, in advance, to PPHCSD for payment. The estimated number of Full-Time Equivalent (FTE) positions required for providing these services is 1.68, with an estimated cost of \$67,768.

Transfer of Duties and Responsibilities include, but are not limited to:

1. Identify all sites to be transferred, site address and services/functions operated.
2. Identify communication interconnectivity plan.
3. Identify communications methods employed and licenses required (FCC, Cellular, Telco).
4. Add/Remove non-reprogrammable communication components configured for SDD operations.
5. Identify site/elevation issues for Radio Frequency processes.
6. Remove SDD select agreement license keys from software for future software upgrade/license certification requirements.
7. Extract all data files and application formats if applications are part of PPHCSD's inventory.

8. Prepare electronic export file of all account data in format specified.
9. Determine communication service providers in areas of PPHCSD facilities and coordinate transfer of authority and accounting information with service transfer date.
10. If web presence is to continue, provide electronic copy of web pages and application formats.
11. Establish contract with Internet Service Provider and Telco service for WAN/Internet capabilities.
12. Establish contracts for support and licensing of all operation specific software applications.
13. Establish contracts for computer hardware and peripheral maintenance and support.
14. Establish technical/program support of all applications developed in-house utilizing standard office products.
15. Establish data security model for customer and operation data integrity.
16. Establish power management and emergency plan for critical systems and functions.
17. Establish disaster recovery plan and agreements with other entities to provide emergency support during disaster scenarios.
18. Provide, depending on the operation, for on-call 24/7 supports for critical systems.
19. Establish written agreement including formats, frequency, and validation requirements for all data transactions between district and external agencies and institutions as mandated, including:
  - All data must be formatted for export or import into a billing system
  - All data to be downloaded or uploaded from devices, such as meter readers, automated check readers, electronic transactions files (from banks), need to be documented
  - SCADA transmissions, content, format and frequencies (FCC License) must be documented and maintained
  - Upload of transactions into an accounting system (FAS or other) must be documented and audited
  - Internet service provider agreements on type of security and services to be provided. User data access levels and data availability

**SECTION A**  
**Interim General Manager Contract**



County of San Bernardino

F A S

## STANDARD CONTRACT

## FOR COUNTY USE ONLY

<input checked="" type="checkbox"/> New	Vendor Code		SC	Dept.	A	Contract Number	
<input type="checkbox"/> Change						07-	
<input type="checkbox"/> Cancel							
County Department				Dept.	Orgn.	Contractor's License No.	
Special Districts Dept., Water/Sanitation							
Division, and County Service Area 70							
County Department Contract Representative				Telephone		Total Contract Amount	
Thomas L. Sutton, Director				(909)387-5967		\$	
Contract Type							
<input type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:							
If not encumbered or revenue contract type, provide reason:							
Commodity Code		Contract Start Date		Contract End Date		Original Amount	Amendment Amount
						\$	\$
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount	
						\$	
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount	
						\$	
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount	
						\$	
Project Name				Estimated Payment Total by Fiscal Year			
Phelan Pinon Hills Community Services District				FY	Amount	I/D	
Interim General Manager							

THIS CONTRACT is entered into in the State of California by and between County Service Area 70, hereinafter called CSA 70, and

Name  
Phelan Pinon Hills Community Services District  
Address

hereinafter  
called District

Telephone ( ) - Federal ID No. or Social Security No.

## IT IS HEREBY AGREED AS FOLLOWS:

(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)

## RECITAL:

WHEREAS, because District is currently in need of a general manager to manage District for an interim period of time until District fills that position on a permanent basis, and in order to best provide management of water, streetlight, parks and recreation services to customers within the original boundaries of the former County Service Area 70, Improvement Zone L (CSA 70 L), County Service Area 9 (CSA 9), County Service Area 56 F-1 (CSA 56 F-1), hereto referred to collectively as "CSA 70," as well as to maintain the current levels of service during the transition period from \_\_\_\_\_ to June 30, 2008, or until a new general manager is selected to manage District on a permanent basis, whichever occurs first;

## AGREEMENT:

NOW THEREFORE, it is agreed as follows:

## Auditor/Controller-Recorder Use Only

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

1. CSA 70 agrees to provide District with an interim general manager commencing \_\_\_\_\_ and terminating on June 30, 2008, to provide water, streetlight, parks and recreation services to the residents of District, whichever date is sooner or unless this Agreement is terminated earlier by District by giving 30 days written notice to CSA 70 of termination. Any such service provided after said termination date shall be pursuant to a new agreement between CSA 70 and District.
2. District agrees to accept as an interim general manager the County of San Bernardino, Special Districts Department Director or Designee to manage District from \_\_\_\_\_ through June 30, 2008, unless this Agreement is terminated earlier by District; and District further agrees to vest full managerial discretion in such assigned person during the course of his service as interim general manager for District, subject only to the direct supervision of District Board of Directors.
3. Upon execution of this Agreement, District agrees to approve and sign the Water, Streetlight, Parks and Recreation Services (Services) Agreement within ten (10) days. District and CSA 70 further agree to execute the Services Agreement prior to any early termination of this Agreement. District and CSA 70 acknowledge that the Services Agreement will continue to remain effective in the event that this Agreement is terminated early.
4. CSA 70 may terminate this Agreement upon 30 days written notice to District in the event that District's Board of Directors fails to comply with local, state or federal regulations or directs the interim general manager or staff to perform tasks that would put their state certifications in jeopardy or cause mismanagement of ongoing water and sanitation operations.
5. District agrees that the interim general manager shall provide all services to District at the same level previously provided by CSA 70 ("Basic Service Level") as such services were performed on behalf of the previous service providers in District's area, within the Fiscal Year 2007-08 budget initially approved by CSA 70's Board of Directors and subsequently adopted by District's Board of Directors. For purposes of the Agreement, the Basic Service Level shall consist of 43.5 actual work (productive) hours per month. For all services performed beyond the Basic Service Level and subject to approval by District's Board of Directors, District agrees to reimburse CSA 70 for all compensation and benefits to the person who is assigned to serve as interim general manager for District during the entire course of that service at the productive hourly rate of \$112.68. District shall reimburse CSA 70 for its costs for such services at the same rate that CSA 70 charges for a similar position assigned to other water districts and CSA 70 service areas. District shall pay CSA 70 billings for such costs within thirty (30) days of receipt of a bill from CSA 70.
6. District agrees to indemnify, defend and hold harmless the assigned interim general manager and CSA 70, and their officers, employees, agents and volunteers, from any and all claims, actions, losses, damages and/or liability arising from the assigned interim general manager's acts, errors or omissions and for any costs or expenses incurred by CSA 70 on account of any claim therefore resulting from alleged actions or omissions of the assigned interim general manager or the alleged actions or omissions of any members of District, with CSA 70 having the right to approve attorneys hired by District to defend them and their officers, employees, agents, and volunteers, and further retaining the right to supplement any such defense.

**Auditor/Controller-Recorder Use Only**

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By



CSA 70 agrees to indemnify, defend and hold harmless District, its officers, agents, employees and volunteers from any and all claims, actions or losses, damages, and/or liability resulting from CSA 70's negligent acts or omissions which arise from CSA 70's performance of its obligations under this Agreement.

In the event CSA 70 and/or District is found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under the Agreement, CSA 70 and/or District shall indemnify the other to the extent of its comparative fault.

#### NOTICES

7. Any and all notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such address as the respective parties may provide in writing by registered or certified mail, postage prepaid for this purpose:

CSA 70: County of San Bernardino, Special Districts Department

Attn: Thomas L. Sutton, Director  
157 W. 5th Street, 2nd Floor  
San Bernardino, CA 92415-0451

District: Phelan Pinõn Hills Community Services District  
Attn: President, Board of Directors  
Address: TBD

<b>Auditor/Controller-Recorder Use Only</b>	
<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

IN WITNESS WHEREOF, this Agreement has been executed and approved and is effective and operative as to each of the parties as herein provided.

COUNTY SERVICE AREA 70

PHELAN PINÓN HILLS COMMUNITY  
SERVICES DISTRICT

►  
Paul Biane, Chairman, Board of Directors,  
acting in its capacity as governing body of  
CSA 70

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY  
OF THIS DOCUMENT HAS BEEN  
DELIVERED TO THE CHAIRMAN OF THE  
BOARD

Dena M. Smith, Secretary

By: \_\_\_\_\_

(Print or type name of corporation, company, contractor, etc.)

By ► \_\_\_\_\_

(Authorized signature – sign in blue ink)

Name \_\_\_\_\_

(Print or type name of person signing contract)

Title \_\_\_\_\_

(Print or type)

Dated: \_\_\_\_\_

Address \_\_\_\_\_

Approved as to Legal Form

Reviewed by Contract Compliance

Presented to BOS for Signature

►  
County Counsel

► \_\_\_\_\_

►  
Department Head

Date \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

**Auditor/Controller-Recorder Use Only**

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

## **SECTION B**

### **Performance Contract for Water, Streetlight, Park, and Recreation Services**

## FOR COUNTY USE ONLY



County of San Bernardino

F A S

## STANDARD CONTRACT

<input checked="" type="checkbox"/> New <input type="checkbox"/> Change <input type="checkbox"/> Cancel		Vendor Code		Dept. <b>SC</b>		A		Contract Number <b>07-</b>	
County Department				Dept.		Orgn.		Contractor's License No.	
Special Districts Department, Water/ Sanitation Division, County Service Area 70									
County Department Contract Representative Thomas L. Sutton, Director				Telephone (909)387-5967				Total Contract Amount \$	
Contract Type <input type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:									
If not encumbered or revenue contract type, provide reason:									
Commodity Code			Contract Start Date		Contract End Date		Original Amount \$		Amendment Amount \$
Fund	Dept.	Organization	Appr. Var.	Obj/Rev Source Various	GRC/PROJ/JOB No.		Amount \$		
Fund	Dept.	Organization	Appr. Var.	Obj/Rev Source Various	GRC/PROJ/JOB No.		Amount \$		
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.		Amount \$		
Project Name Phelan Pinõn Hills Community Services District Water Service				Estimated Payment Total by Fiscal Year					
				FY	Amount	I/D	FY	Amount	I/D
				2007/08	\$				
Streetlight Service				2007/08	\$				
Parks and Recreation Service				2007/08	\$				

THIS CONTRACT is entered into in the State of California by and between County Service Area 70, hereinafter called CSA 70, and

Name  
Phelan Pinõn Hills Community Services District  
Address

hereinafter  
called District

Telephone  
( ) -  
Federal ID No. or Social Security No.

## IT IS HEREBY AGREED AS FOLLOWS:

(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)

**WATER, STREETLIGHT, PARKS AND RECREATION SERVICES AGREEMENT  
BETWEEN**

**COUNTY OF SAN BERNARDINO, COUNTY SERVICE AREA 70  
AND**

**PHELAN PINÕN HILLS COMMUNITY SERVICES DISTRICT**

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## RECITALS:

WHEREAS, District desires to contract for performance of water, streetlight, parks and recreation services within the original boundaries of the former County Service Area 70, Improvement Zone L (CSA 70 L), County Service Area 9 (CSA 9), County Service Area 56 F-1 (CSA 56 F-1), hereto referred to as County Service Area 70 (CSA 70) for the period from \_\_\_\_\_ through June 30, 2008 ("the O&M Contract Period"); and

WHEREAS, County is willing and able to perform such services at the same level previously provided by CSA 70,

## TERMS AND CONDITIONS:

NOW THEREFORE, it is agreed by the parties hereto as follows:

1. This Agreement shall be deemed effective during the O&M Contract Period upon execution by the authorized representative of all parties hereto.
2. CSA 70 shall provide to District water, streetlight, parks and recreation services within the boundaries of District as same now exist within the original boundaries. During this O&M Contract Period, the operational and technical management will be the responsibility of CSA 70.
3. During the O&M Contract Period, CSA 70 shall provide to District the services enumerated in Exhibit "A" to this Agreement, which document is incorporated herein in full by this reference.
4. During the O&M Contract Period, unless otherwise discontinued at the written request of District's General Manager, District authorizes CSA 70 to bill and collect water service charges and such other fees and assessments previously authorized and adopted by District's Board of Directors.
5. During the O&M Contract Period, CSA 70 will furnish to District water, streetlight, parks and recreation services at the same level furnished within those areas.
6. District has adopted and will comply with CSA 70 Rules and Regulations regarding water, streetlight, parks and recreation services.
7. District or any authorized representative shall have access to any books, documents and records of CSA 70, which are pertinent to this Contract for the purpose of making an audit or examination. All books, records and supporting detail shall be retained by District for a period of three (3) years after the term of this Contract. CSA 70 agrees that in the event audit exceptions are determined prior to June 30, 2011 by appropriate audit agencies, compliance shall be the responsibility of CSA 70. District and CSA 70 agree that in the event audit exceptions are determined after June 30, 2011, compliance shall be the joint responsibility of District and CSA 70.
8. CSA 70 will include District in project planning. Nothing herein shall prevent District from engaging in its own project planning.
9. During the O&M Contract Period, CSA 70 may find it necessary, in connection with water system emergencies, to remove certain equipment or staff described in Exhibit "A" (Scope of Service and Personnel) and Exhibit "B" ("Leased Facilities and Equipment") from District's limits. CSA 70 may do so without permission or consent from District. In the event that an emergency extends beyond seven (7) days, CSA 70 shall obtain approval beyond the seven (7) day period. Persons authorized to give District approval are the General Manager or designee.

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10. Term and Termination.

a. The term of this Agreement shall be the O&M Contract Period, unless earlier terminated as provided herein. Either party, by written notice to the other party, may terminate the whole or any part of this Agreement at any time and without cause by giving written notice to the other party of such termination, and specifying the effective date thereof, at least 30 days before the effective date of such termination. Upon termination, CSA 70 shall be compensated only for those services which have been rendered to District, and CSA 70 shall be entitled to no further compensation.

b. The District's Board of Directors, with written notice 30 days in advance, has the authority to amend this contract.

c. Notwithstanding the foregoing, in the event CSA 70 provides any services to District on a holdover basis after the date of termination of this Agreement, District shall fully reimburse CSA 70 for all costs of providing such services.

11. Payment.

a. During the O&M Contract Period, unless otherwise discontinued at the written request of District's General Manager, CSA 70 shall continue to process payments on behalf of District, through CSA 70's financial accounting system, for operations and administration provided for in former CSA for the Fiscal Year 2007/08 budget, as set forth in Exhibit "C" attached hereto and incorporated herein by this reference, which was adopted as District's FY 2007/08 budget by District's Board of Directors. Additional services performed by CSA 70, as requested by District's General Manager will be submitted directly to District for payment with appropriate detail provided. All financial transactions processed by CSA 70 through CSA 70's financial system will be in accordance with Generally Accepted Accounting Practices (GAAP) subject to review by the CSA 70's appointed auditor(s). It is District's responsibility to ensure all financial transactions processed outside CSA 70's financial system are in accordance with GAAP, subject to review by District's appointed auditor(s). Services required by District, additional to the CSA 70's normal operation and administration budgeted in FY 2007/08, will be submitted directly to District for payment with appropriate detail provided. Preparation of the FY 2008/09 Proposed Budget for District, and the corresponding recommended user fees reflecting appropriate service levels are considered normal administration and will not require additional billing/cost to the District.

b. CSA 70 shall invoice District the quarterly costs for operations and administration for the Fiscal Year 2007/08 budget, as set forth in Exhibit "C" attached hereto and incorporated herein by this reference, which was adopted as District's FY 2007/08 budget by District's Board of Directors on \_\_\_\_\_. Payment shall be due to CSA 70 in the amount of \$523,464 on March 20<sup>th</sup> 2008. The amount due to CSA 70 shall be considered a proportionate share of the FY 07/08 budget from the date of adoption of the FY 07/08 by the District's Board of Directors for the remaining quarter(s) of FY 07/08. At no time will CSA 70 exceed the budgeted appropriations without notice to and approval from District's Board of Directors. Upon termination of this Agreement, CSA 70 will provide a billing to District for services received but billed in arrears.

c. All revenue billed and collected by CSA 70 for District will be remitted to District fund accounts established at the CSA 70 Treasurer, and will be reported to the District monthly, unless District agrees to a different schedule.

d. CSA 70 shall have the right to terminate this Agreement sooner than provided for in Section 10(a) if District does not make payments of its obligations hereunder to CSA 70 within 30 days of receipt.

- e. CSA 70 shall have the right to annually renegotiate the rate of services performed under this Agreement. District shall be responsible for any future Memoranda of Understanding (MOU) and/or Compensation Plan for salary/benefit increases that may occur during the term of the Agreement.
- f. CSA 70 may give notice to District of increased costs incurred by CSA 70 in providing the services pursuant to this Agreement; this Agreement may be amended to reflect the increased costs effective the date costs increase. CSA 70 will not exceed the budgeted appropriations without notice to and approval from District's Board of Directors. District may have the option to terminate this Agreement if the parties cannot agree on the amount of additional costs proposed by CSA 70, in accordance with Section 10, "Term and Termination". In the event of such termination, CSA 70 shall be paid for all services rendered until such termination date at the actual cost to the CSA 70 not to exceed the rates set forth in this Agreement plus fifteen (15) percent.
- g. District shall have the authority at any time during the O&M Contract Period to request a change in the level of service for water, streetlight, parks and recreation services provided for herein. In such event, compensation paid by District shall be adjusted accordingly. Any requests for a change in the level of services for water, streetlight, parks and recreation services must be provided to the CSA 70 in writing within 30 days.
- h. District shall not hold CSA 70 responsible for a reduction in services resulting from labor relation actions and District's obligation to pay CSA 70 shall be reduced for services not performed for that reason.
12. Apparatus and Equipment. District shall lease to CSA 70, the vehicles, apparatus, equipment and property described in Exhibit "B" ("Leased Facilities and Equipment") including property acquired by District after the date of Agreement attached hereto and incorporated herein for the sum of \$1 during the O&M Contract Period, on the terms and conditions set forth in this Agreement. During the O&M Contract Period, CSA 70 shall maintain in good repair the equipment, and shall be financially responsible for said preventive maintenance and repairs to the extent as provided for and included in the CSA 70's approved budget. The District agrees to be responsible for all major apparatus and equipment corrective maintenance repairs and/or replacements. District will remain financially responsible for new and replacement apparatus, equipment and staff vehicles and such expenses will be included in District's annual budget as approved by District's Board of Directors.
13. Cost of Providing and Operating Equipment. The cost of providing, maintaining, operating and replacing any and all property, furnishings and equipment, real or personal, previously furnished by CSA 70 for water, streetlight, parks and recreation services as listed in Exhibit "B" and including property acquired by District after the date of Agreement shall be borne by District unless otherwise provided for by separate written agreement.
14. Personnel. During the O&M Contract Period, CSA 70 shall provide to District, to the extent as provided for and included in the CSA 70's approved budget, as adopted by District, the services of the employees listed in Exhibit "D" attached hereto and incorporated herein by this reference for the satisfactory performance of CSA 70's

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obligations under this Agreement. The employees listed in Exhibit "D" ("Personnel") are required to maintain all appropriate licenses/certifications/registrations for the job to which they are assigned.

15. Indemnification.

a. CSA 70, to the extent permitted by law, agrees to indemnify and hold harmless the District and its officers, agents, employees and volunteers from any and all claims, actions, losses, damages, and/or liability resulting from CSA 70's negligent acts or omissions which arise from CSA 70's performance of its obligations under this Agreement.

b. The District, to the extent permitted by law, agrees to indemnify and hold harmless CSA 70 and its officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising out of the District's performance of its obligations under this Agreement.

c. In the event CSA 70 and/or District is found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under the Agreement, CSA 70 and/or District shall indemnify the other to the extent of its comparative fault.

d. Furthermore, if CSA 70 or District attempts to seek recovery from the other for Workers' Compensation benefits paid to an employee, CSA 70 and District agree that any alleged negligence of the employee shall not be construed against the employer of that employee.

16. Insurance. Without in any way affecting the indemnity herein provided and in addition thereto, CSA 70 and District shall secure and maintain throughout the O&M Contract Period the following types of insurance or self-insurance with limits as shown:

a. Workers' Compensation – CSA 70 shall provide a program of Workers' Compensation Insurance or a state-approved self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons providing services on behalf of CSA 70 and all risks to such persons under this Agreement.

b. District shall provide the following insurance:

1. Comprehensive General and Automobile Liability Insurance or Self-Insurance – This coverage is to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy or self-insurance shall have combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000).

2. Additional Named Insured – All policies or self-insurance except Workers' Compensation, shall contain additional endorsements naming the CSA 70 and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of District's performance of services hereunder.

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3. Policies Primary and non-Contributory – All policies required above are to be primary and non-contributory with any insurance or self-insurance carried or administered by CSA 70.

4. Proof of Coverage – District shall, within thirty (30) days of commencement of this Agreement, furnish certificates of insurance or self-insurance to CSA 70 evidencing the insurance coverage including endorsements, above required prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without sixty (60) days written notice to CSA 70 and District and shall maintain such insurance from the time CSA 70 and District commence performance of services hereunder until the completion of such services.

17. Notices: Any and all notices permitted or required under this Agreement shall be given to the respective parties at the following addresses, or at such addresses as the respective parties may provide in writing by registered or certified mail, postage prepaid for this purpose:

CSA 70: County of San Bernardino, Special Districts Department  
Attn: Thomas L. Sutton, Director  
157 W. 5th Street, 2nd Floor  
San Bernardino, CA 92415-0451

District: Phelan Pinõn Hills Community Services District  
Attn: President, Board of Directors  
Address: TBD

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IN WITNESS WHEREOF, this Agreement has been executed and approved and is effective and operative as to each of the parties as herein provided.

COUNTY SERVICE AREA 70

PHELAN PINÓN HILLS COMMUNITY  
SERVICES DISTRICT

►  
Paul Biane, Chairman, Board of Directors,  
acting in its capacity as governing body of  
CSA 70

\_\_\_\_\_  
(Print or type name of corporation, company, contractor, etc.)

By ►

\_\_\_\_\_  
(Authorized signature – sign in blue ink)

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY  
OF THIS DOCUMENT HAS BEEN  
DELIVERED TO THE CHAIRMAN OF THE  
BOARD

Name

\_\_\_\_\_  
(Print or type name of person signing contract)

Title

\_\_\_\_\_  
(Print or Type)

Dena M. Smith, Secretary

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Address \_\_\_\_\_

Deputy

Approved as to Legal Form

Reviewed by Contract Compliance

Presented to BOS for Signature

►  
County Counsel

Date \_\_\_\_\_

►  
Date \_\_\_\_\_

►  
Department Head

Date \_\_\_\_\_

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***EXHIBIT A***

**Water, Streetlight, Park and Recreation Services Agreement  
Phelan Pinón Hills Community Services District**

**Scope of Service**

## **EXHIBIT A**

### **Scope of Services**

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## 1.0 ABBREVIATIONS

CAL-EPA: State of California Environmental Protection Agency

CAL-OSHA: California Occupational Safety and Health Administration

CFR: Code of Federal Regulations

DHS: Department of Health Services

CSA 70: County Service Area 9; County Service Area 56, Improvement Zone F-1; and County Service Area 70, Improvement Zone L

DISTRICT: Phelan Pinõn Hills Community Services District

MDAQMD: Mojave Desert Air Quality Management District

RCRA: Resource Conservation and Recovery Act

USEPA: United States Environmental Protection Agency

## 2.0 DEFINITIONS

### 2.1 Permit Requirements

The Permit Requirements referred to in this document shall be understood to be:

- (1) the DHS Water Permit No. 81-023

or any permit issued by the USEPA that amends, revises or replaces these permits while the contract is in effect.

### 2.2 Regulatory Agency

The term Regulatory Agency referred to in this document shall be understood to be the USEPA, CAL-EPA, MDAQMD, DHS or any agency imposing regulations upon District as it refers to the water facilities.

### 2.3 Regulatory Requirements

The Regulatory Requirements referred to in this document shall be understood to be:

- (1) all DHS and USEPA laws, and regulations
- (2) all DHS, USEPA, CAL-EPA –regulations, and guidelines regarding monitoring, analysis or reporting of the Facilities
- (3) the Code of Federal Regulations – Title 40, the California Health and Safety Code, and the California Code of Regulations as it relates to the Facilities
- (4) the RCRA and Hazardous Materials Control Act
- (5) the Government Code, Health and Safety Code, Water Code California Safe Drinking Water Act & related laws and regulations
- (6) the Clean Water Act and all other applicable, Federal, State and local laws and regulations.

#### **2.4 Facilities**

The Water Facilities referred to in this document shall be understood to be:

Water Production Wells, Water Storage Reservoirs, Water Distribution Pipelines, and Appurtenances

The Streetlight Facilities referred to in this document shall be understood to be:

Streetlights

The Parks and Recreation Facilities referred to in this document shall be understood to be:

Park Sites (including restrooms, shelter w/ picnic tables and barbeques, playground equipment, basketball courts, storage cargo containers), Senior Center.

#### **3.0 GENERAL**

CSA 70 agrees to operate, maintain and manage District Facilities. These services include but are not limited to the following:

The complete operation, maintenance and management of District Facilities.

All of these tasks are to be performed in full coordination with District, as defined by the Scope of Services, and in full compliance with all Permit and Regulatory Requirements.

##### **3.1 Communications**

CSA 70 shall transmit to District all necessary and/or requested information regarding the operation and maintenance of District Facilities in a timely manner.

##### **3.2 Emergency**

CSA 70 will be required to respond to all emergencies that occur at, or in some way involve, the Facilities. CSA 70 shall designate the appropriate level of "stand by" personnel to respond to emergency calls during unmanned hours.

##### **3.3 Business Operations**

The Business Operations Section shall provide billing, collections, customer service, and development services. CSA 70 shall provide and maintain all computer software required to produce customer billing and to maintain all data relevant to District business operations as referenced above.

The Business Operations Section shall maintain all regulatory reports and permits such as self monitoring reports, inspections, compliance inspections and sampling data, baseline monitoring data, compliance schedule program reports and various enforcement activities, etc. in conformity with all Permit and Regulatory Requirements.

All business operations equipment such as computers, computer software, printers, fax machines and all other office equipment are the sole property of CSA 70 and are non-

transferable. All custom modifications to billing software programs shall be considered proprietary and shall not be duplicated and/or reproduced without express written consent of CSA 70. All business operations equipment shall remain with CSA 70 upon termination of this contract.

#### **3.4 Warranties and Guarantees**

CSA 70 shall maintain all warranties on all equipment.

#### **3.5 Client Meetings**

The Deputy Director or designated representative shall be available to meet with District's representative upon request.

#### **3.6 District Access to Facilities**

District staff or its representatives shall have access to facilities during normal hours of operation.

#### **3.7 Inclusions**

District shall provide for wages, salaries and benefits, utilities (including electric power, potable water and refuse), materials and supplies required for efficient administration, operation and maintenance of the Facilities. Materials and supplies include but are not limited to gasoline and diesel fuel, vehicles, vehicle supplies, accessories, office supplies, telephones, building and grounds maintenance supplies, copying machine, photo supplies, medical supplies, safety equipment, laboratory supplies, clothing and uniforms, office equipment, etc.

### **4.0 STAFFING**

CSA 70 shall staff the Facilities with qualified, trained and adequately experienced personnel to manage, operate, and maintain District Facilities. The staff shall meet the minimum standards to undertake the basic responsibilities under this Agreement and shall meet or exceed all performance criteria and minimum qualifications.

#### **4.1 Staffing**

CSA 70 shall provide a minimum of 33.60 Full Time Equivalents (FTE's), including technical personnel with appropriate education, training, certification, and experience required for effective operation and maintenance of the District's Facilities and administration of District Facilities in an effective manner and in full compliance with all Permit and Regulatory Requirements per Fiscal Year 07/08 County of San Bernardino Board of Supervisors Approved Budget for CSA prior to dissolution.

#### **4.2 Engineering and Technical Support**

CSA 70 may provide in-house professional, technical, and engineering expertise for investigating and developing engineering studies, solutions and designs to meet District's potential needs at an additional cost to District.

**4.3 Training**

The Agreement shall provide for continued training of Division personnel. Any training requested by the District above the level provided by the 07/08 Budget shall be at the cost of the District.

**4.4 Professional Services Contracts**

CSA 70 maintains contracts to provide professional services i.e. facilities repair, engineering services, construction services etc. Upon approval of this Agreement by the CSA 70 Board of Directors, all professional service contracts may be utilized by County, for the operation, maintenance and management of District. Use of these contracts shall be provided at cost plus any applicable administrative fees.

**4.5 Hours of Operation and Staffing**

Hours of operation and staffing provided by CSA 70 shall meet the minimum full time operations requirements set forth by Permit and Regulatory Requirements. During unmanned hours, CSA 70 shall designate the appropriate level of "standby" personnel to respond to emergency calls.

**5.0 REGULATORY COMPLIANCE****5.1 Compliance Assurance**

Within the design and operational capabilities of District Facilities, CSA 70 shall assure compliance with all Permit and Regulatory Requirements. In the event the Facilities are not in compliance with Permit or Regulatory Requirements, CSA 70 will notify the District in writing with recommendations outlining the proposed corrective action. CSA 70 shall inform District of any Permit and/or Regulatory Requirements that are unable to be met and the corresponding justification. Any Permit and/or Regulatory Requirements that District agrees in writing cannot possibly be met or that result from a force majeure will not result in a breach of this Agreement. CSA 70 shall not be held liable for any non-compliance issues.

**5.2 Liability for Fines**

District shall be fully responsible for all administrative, civil or criminal fees, costs, assessments, expenses, losses, damages, liabilities, fines and/or penalties that may arise from any asserted claim or action, and/or that may be imposed by any and all regulatory agencies, resulting from failure to fully comply with Permit or Regulatory Requirements. CSA 70 will not be liable for any violation, fine or penalty that does not result from CSA 70's misconduct or negligence in the performance of services set forth in this Agreement.

**5.3 Reporting Requirements**

CSA 70 shall collect, test, analyze, etc. all required field data in full compliance with the Permit and Regulatory Requirements. CSA 70 shall provide required documentation, including calculations, rationale, justification and reports for submittal to the appropriate Regulatory Agency.



CSA 70 shall prepare all required reports in accordance with District's Permit and Regulatory Requirements as they involve the Facilities. CSA 70 will submit all reports to the appropriate Regulatory Agency in a timely manner.

#### **5.4 Reports to District**

CSA 70 shall provide administrative and management services, including submission to District of a proposed capital improvement and major equipment repair or replacement budget on an annual basis; preventive and corrective maintenance reports on a quarterly basis.

### **6.0 FACILITIES OPERATIONS**

#### **6.1 Records of Operation**

CSA 70 shall maintain complete and accurate records regarding the Facilities which include records pertaining to all tasks relative to administration and implementation of District's Permit and Regulatory Requirements. These records shall be available for inspection by District during normal working hours. When the contract terminates these records shall become the property of District.

#### **6.2 Facilities Appearance**

CSA 70 recognizes the concern of District regarding the appearance of the grounds, buildings and structures and agrees to maintain the cleanliness and appearance of the facilities in a sanitary, professional manner. CSA 70 shall be responsible for maintenance of the lawn, tree and plant trimming and miscellaneous maintenance work at the Facilities.

#### **6.3 Maintenance & Repair**

CSA 70 shall maintain all equipment and structures of the Facilities and shall perform preventive and corrective maintenance as required. All equipment and structures of the Facilities shall be regularly inspected by CSA 70 to detect equipment wear and tear and potential equipment failure. District shall be notified promptly of any equipment that requires replacement or repair.

#### **6.4 Modifications**

CSA 70 shall submit to District and obtain District's approval for any modifications, equipment additions, changes, or non-routine major maintenance undertakings. All such modifications, additions, equipment installations due to such modification shall become an integral part of the facility and shall become District property.

### **7.0 SAFETY**

CSA 70 shall perform all work under this Agreement in such a manner as to provide safety to the public and operating personnel including District staff, and to meet or exceed the safety standards outlined by CAL-OSHA. CSA 70 shall protect the work site from hazards to persons and property resulting from its operations. Any hazardous conditions noted by CSA 70, which are not the results of operations, shall immediately be reported to District. CSA 70 reserves the

right to halt operations under this Agreement if it determines that unsafe or harmful acts are occurring.

### 7.1 Safety Responsibility

CSA 70 shall be responsible for the administration of safety programs including, but not limited to, the following:

1. Establishing appropriate general workplace and confined space entry safety procedures as per CAL-OSHA regulations.
2. Training all personnel in the proper use of personnel protection equipment and safety procedures, including confined space entry procedures.
3. Training of all personnel in proper use of safety equipment and apparatus.
4. Maintenance and calibration of all safety equipment on an established schedule.
5. Record keeping of all safety-related activities in conformance with CSA 70's Safety Manual and/or CAL-OSHA regulations.
6. Conduct tailgate meetings at least every ten (10) working days and monthly safety meetings with supervisors and members of the employee Safety Committee.
7. Develop an annual program of tailgate meetings, safety demonstrations, and maintenance of safety equipment.
8. Title 8 California Code of Regulations Section 3203-Injury and Illness Prevention Program which became effective July 1, 1991, and requires every employer to establish, implement, and maintain an effective Injury and Illness Prevention Program (Program). This program is required to be in writing and shall at a minimum address the following:
  - (a) Identify the person or persons with authority and responsibility for implementing the Program.
  - (b) Include a system for ensuring that employees comply with safe and healthy work practices. Substantial compliance with this provision includes training and retraining program, disciplinary actions, or any other such means that ensures employee compliance with safe and healthful work practices.
  - (c) Include a system for communicating with employees in a form readily understandable by all affected employees on matters relating to occupational safety and health, including provisions designed to encourage employees to inform the employer of hazards at the worksite without fear of reprisal. Substantial compliance with this provision includes meetings, training programs, posting, written communications, a system of anonymous

notification by employees about hazards, labor/management safety and health committees, or any other means that ensure communication with employees.

(d) Include procedures for identifying and evaluating work place hazards including scheduled periodic inspections to identify unsafe conditions and work practices. Inspections shall be made to identify and evaluate hazards.

(1) Whenever new substances, processes, procedures, or equipment are introduced to the workplace that represent a new occupational safety and health hazard; and

(2) Whenever the employer is made aware of a new or previously unrecognized hazard.

(e) Include a procedure to investigate occupational injury or occupational illness.

(f) Include method and/or procedures for correcting unsafe or unhealthy conditions, work practices and work procedures in a timely manner based on the severity of the hazard:

(1) When observed or discovered; and

(2) When an imminent hazard exists which cannot be immediately abated without endangering employee(s) and/or property, remove all exposed personnel from the area except those necessary to correct the existing condition. Employees necessary to correct the hazardous condition shall be provided the necessary safeguards.

(g) Provide training and instruction:

(1) To all new employees;

(2) To all employees given new job assignments for which training has not previously been received;

(3) Whenever new substances, processes, procedures or equipment are introduced to the workplace and represent a new hazard;

(4) Whenever CSA 70 is made aware of a new or previously unrecognized hazard; and,

(5) For supervisors to familiarize themselves with the safety and health hazards to which employees under their immediate direction and control may be exposed.

9. Title 8 California Code of Regulations Section 3203-Injury and Illness Prevention Program which requires records of the steps taken to implement and maintain the program which include the following:
- (a) Records of scheduled/periodic inspections required to identify unsafe conditions and unsafe work practices include: person(s) conducting the inspection, the unsafe conditions and unsafe work practices that have been identified, actions taken to correct the identified unsafe conditions and/or unsafe work practices. These records shall be maintained for three (3) years; and
  - (b) Documentation of safety and health training required for each employee, including employee name or other identifier, training dates, type(s) of training, and training providers. This documentation shall be maintained for three (3) years.
10. To require its subcontractors ("Construction Industry") to fully comply with the Title 8, California Code of Regulations Section 1509- Injury and Illness Prevention Program. Prior to award of a contract, require the subcontractor to submit an Injury and Illness Prevention Program which includes at the minimum the following:
- (a) Every employer shall establish, implement, and maintain an effective Injury and Illness Prevention program in accordance with Section 3203 of the General Industry Safety Orders.
  - (b) Every employer shall adopt a written Code of Safe Practices which relates to the employer's operations.
  - (c) The Code of Safe Practices shall be posted at a conspicuous location at each job site office or be provided to each supervisory employee who shall have it readily available.
  - (d) Periodic meetings of supervisory employees shall be held under the direction of management or the discussion of safety problems and accidents that have occurred.

**These are minimum requirements and additional safety programs may be requested depending on the project. Example: Confined space entry and rescue procedures, trench, and shoring work, etc.**

## **7.2 Training and Safety**

CSA 70 shall maintain a safety training program for all personnel to insure proper operation and maintenance of the Facilities in a safe and efficient manner. CSA 70 shall practice a work place safety and health program in accordance with the CAL-OSHA requirements.

CSA 70 shall administer all safety programs, inspections, training and preventive maintenance in compliance with all CAL/OSHA and CSA 70's safety manual procedures.

CSA 70 shall be required to comply with Section 3203 of the California Code of Regulations Title 8, and with all applicable CAL/OSHA requirements including Article 108 of Title 8.

### **7.3 Security**

CSA 70 shall properly secure the Facilities and devices to the reasonable satisfaction of District. All equipment assigned by District to CSA 70 shall be restricted to CSA 70's use and only for that use which is necessary for the performance of work under this Agreement, unless otherwise authorized by District.

***EXHIBIT B***

**Water, Streetlight, Park and Recreation Services Agreement  
Phelan Pinõn Hills Community Services District  
Owned/Leased Facilities and Equipment**

## Phelan Pinon Hills CSD Real Property Inventory

All Easement Rights Plus the following:

Current as of:

Jul 30, 2007

Ownership	A.P.N.	-L-	-9-	F1	Site Name	Gallons	Description
County of San Bernardino	0403-233-06	X			Tank L-1	498,903	1 Tank, 24 Ft. Tall
County of San Bernardino	3036-051-11	X			Tank 8B	141,000	1 Tank, 16 Ft. Tall
County Service Area 70-L	3036-081-02	X			Tank 7A1	82,871	1 Tank, 16 Ft. Tall
	<b>081-02 cont.</b>				Tank 7A2	82,871	1 Tank, 16 Ft. Tall
County Service Area 70-L	3036-151-02	X			Tank 7C	212,000	1 Tank, 16 Ft. Tall
County of San Bernardino	3036-191-01	X			Tank 7B1	41,728	1 Tank, 8 Ft. Tall
County of San Bernardino	3036-191-07	X			Tank 7B2	202,000	1 Tank, 8 Ft. Tall & 1 Vault @ 48 Sq Ft
County of San Bernardino	3036-201-01	X			Tank 8A1	140,415	1 Tank, 16 Ft. Tall
	<b>201-01 cont.</b>				Tank 8A2	5,000	1 Tank, 8 Ft. Tall
County Service Area 70-L (Pinon Hills)	3037-071-06	X			Tank 6A1	429,177	1 Tank, 24 Ft. Tall
	<b>071-06 cont.</b>				Tank 6A2	4,009	1 Tank, 19x6
County Service Area 70-L	3038-121-01	X			Tank 4C	212,000	1 Tank, 16 Ft. Tall & 1 Vault @ 39 Sq Ft
County Service Area 70-L	3038-531-15	X			Pump Sta.L-1		1 Bldg, 324 Sq Ft
County of San Bernardino	3065-131-07	X			Tank 2C	210,392	1 Tank, 16 Ft. Tall, 1 Bldg @ 242 Sq Ft, 2 Vaults 70 & 39 Sq Ft
County of San Bernardino	3065-281-10	X			Tank 3C	210,392	1 Tank, 16 Ft. Tall, 1 Bldg @ 273 Sq Ft, 1 Vault @ 39 Sq Ft
County of San Bernardino	3065-511-01	X			Vacant		10 Ft wide, Shasta Rd s/o Nielson
	3066-171-02	-	-	-	Split		<b>3066-171-21-northerly, 3066-171-22-southerly</b>
County Service Area 56 Imp Zone F-1	3066-171-21			X	Tank 4B (Note 1)	212,000	1 Tank, 16 Ft. Tall; Deeded to CSA56 F-1
County Service Area 70-L	3066-171-22	X			Fire Station (Note 2)		<b>Deeded to CSA70-L</b>
County Service Area 9	3066-261-01		X		Play Ground		Phelan, Adj. Community Bldg
County Service Area 56 Imp Zone F1	3067-051-06			X	Community Center		Pinon Hills Fire Station (to be titled to CSD)
County of San Bernardino	3067-071-41	X			Vacant		30 Ft Wide, 9910+/- Oasis
County of San Bernardino	3067-081-20	X			Vacant		NW c/o Tamarack(9700N) x Mountain(700E)
County of San Bernardino	3067-191-01	X			Tunnels		County Line, s/o Nielson
County of San Bernardino	3067-321-26	X			Tank 4A	110,878	1 Tank, 16 Ft. Tall, 1 Bldg @ 244 Sq Ft, 1 Vault @ 22 Sq Ft
County Service Area 70-L	3067-481-19	X			Tank 5A	110,878	1 Tank, 16 Ft. Tall, 1 Bldg @ 444 Sq Ft, 1 Vault @ 22 Sq Ft
County of San Bernardino	3067-621-03	X			Tank 5B	212,000	1 Tank, 16 Ft. Tall
	<b>621-03 cont.</b>	X			Tank 5B	212,000	1 Tank, 16 Ft. Tall, 1 Bldg @ 298 Sq Ft, 2 Vaults 70 & 35 Sq Ft

Ownership	A.P.N.	-L-	-9-	F1	Site Name	Gallons	Description
County of San Bernardino	3068-051-31	X			Tank 2B	210,392	1 Tank, 16 Ft. Tall, 1 Bldg @ 278 Sq Ft, 1 Vault @ 48 Sq Ft
County of San Bernardino	3068-301-04	X			Tank 3A	110,878	1 Tank, 16 Ft. Tall, 1 Bldg @ 244 Sq Ft, 2 Vaults 48 & 39 Sq Ft
County Service Area 70	3068-411-13	X			Tank 2A2	1,110,000	1 Tank, 24 Ft. Tall, 1 Bldg
County Service Area 70-L	3068-411-27	X			Tank 2A1	110,878	1 Tank, 16 Ft. Tall, 1 Bldg @ 224 Sq Ft, 2 Vaults 59 & 22 Sq Ft
County of San Bernardino	3068-621-09	X			Tank 3B	210,392	1 Tank, 16 Ft. Tall, 1 Bldg @ 298 Sq Ft, 2 Vaults 59 & 39 Sq Ft
County Service Area 70	3070-011-03	X			T-1C,W-9A-B	212,000	1 Tank, 16 Ft. Tall, 1 Bldg @ 274 Sq Ft, 2 Vaults 70 & 39 Sq Ft, 2 Wells
County Service Area 56 Imp Zone L	3070-011-11	X			Well 9C		1 Well
County of San Bernardino	3070-061-13	X			Vacant		10 Ft wide, Arizona n/o Del Rosa
County of San Bernardino	3070-141-22	X			Vacant		10 Ft wide, Caughlin n/o Del Rosa
	3089-021-270L	X			Well 14-LA County		County Line, s/o Luna
County Service Area 70 Improvement Zone L	3098-221-14	X			Vacant		Sheep Creek Rd s/o RR Xing
County Service Area 70-L	3098-261-04	X			Tank 1A2	1,000,000	1 Tank, 16 Ft. Tall, 1 Bldg @ 224 Sq Ft, 1 Vault 59 Sq Ft
County San Bernardino Service Area 70	3098-261-19	X			Tank 1A1	110,878	1 Tank, 16 Ft. Tall, 1 Vault 22 Sq Ft
County Service Area 70-L	3099-011-01	X			T-12,W-10&11	80,000	1 Desanding Tank, 8 Ft. Tall
	011-01 Cont.				Tank - no designation	41,728	1 Desanding Tank
County Service Area 70	3099-011-03	X			Well 12		1 Bldg, 311 Sq Ft
County of San Bernardino	3099-221-26	X			T-1B and new construction	210,392	12350+/- Oasis Road; 1-16' tank 210,392 gal; 1-24' tank 1,000,000 gal.
	221-26 cont.				Tank	1,000,000	3 buildings: #1 pump station - 225 sq. ft.; #2 Storage - 113 sq. ft.
	221-26 cont.				W-6A&B		#3 Workshop - 1,585 sq. ft.
County of San Bernardino	3101-381-03	X			Well Site 3 & 4	N/A	2 buildings: #1 - 178 sq. ft. #2 - 65 sq. ft.
County of San Bernardino	3101-381-12	X			Well #2		Sheep Creek Rd s/o South St; 2 tanks, 1 bldg - 224 sq. ft.
	381-12 cont.					41,728	#1 Desanding Tank 8' tall
	381-12 cont.					20,000	#2 Desanding tank
County Service Area 70 Imp Zone "L"	3101-381-25	X			Well #12	N/A	Vacant land; Camellia Rd Between Sheep Creek & Valle Vista
							Originally purchased for Well-12

TOTAL

7,799,780



<b>Recorder's Doc# 89-12746 Condemnations, in fee simple absolute</b>						
County Service Area 70	3068-291-31			0401-372-37		Entire parcel
Private Ownership/Easement	3068-291-08			0401-372-39		Portion
Private Ownership/Easement	3068-311-08			0401-373-46		2 Portions, S 40 Ft & W 10 Ft
Private Ownership/Easement	3068-311-09			0401-373-47		Appear to have been corrected with road easement
Private Ownership/Easement	3067-391-03			0401-384-32		Portion
Private Ownership/Easement	3067-391-13			0401-384-35		Portion
Private Ownership/Easement	3067-391-16			0401-384-36		Portion

<b>Request Memorandum to Real Estate services 7/31/2007:</b>						
<b>Note 1:</b> APN 3066 171 21 owner name to be changed from CSA 56 F-1 to CSA 70 L						
<b>Note 2:</b> APN 3066 171 22 owner name to be changed from CSA 70 L to County Service Area 70						
Private Owners (2003 purchased from County of San Bernardino)	3066-341-06			Vacant		Phelan, Fronts Valle Vista, 660 n/o Nielson Rd

# COUNTY OF SAN BERNARDINO, SPECIAL DISTRICTS DEPARTMENT, WATER/SANITATION DIVISION

## ZONE L - EQUIPMENT INFORMATION

Fund-Dept Loc	Portable / Station ty	CO I.D. # Tag	Description	Serial Number/ VIN	Licence #	PO Number	Vendor	Acquisition Date	Acquisition Cost	Current Accumulate d Depreciatio n	A C	Zone L % Usage	Location Stored
ECG 170	P	34940	1979 E-Beaver Trailer	B9D79123	E316967	-	-	4/16/1980	\$0	-	-	100	ZL
ECG 170	P	57992	1984 Ford Backhoe 555	C718277	1057286	-	-	3/26/1984	\$27,132.45	-	-	100	ZL
ECG 170	P	57994	1989 John Deere Backhoe 210	T0210CA7593 36	SE465472	-	-	5/24/1989	\$27,565.30	-	-	100	ZL
ECG 170	P	57995	1990 Case Backhoe 480F	JJG0004026	No License	-	-	3/20/1991	\$29,231.06	-	-	100	ZL
ECG 170	S	22935	Goulds Model 10WALC Closed Coupler		No License	G2642	Pacific Coast Pump	8/25/2006	\$9,500.00	\$272	A	100	ZL
ECG 170	S	24850	Vertical Turbine Booster Pump		No License	D2236	Tri County Pump Co	9/8/2004	\$10,597.00	\$1,649	A	100	ZL
ECG 170	S	24850	Vertical Turbine Booster Pump		No License	D2237	Tri County Pump Co	9/8/2004	\$10,597.00	\$1,649	A	100	ZL
Total										\$30,694.00			
										\$3,570			

**COUNTY OF SAN BERNARDINO, SPECIAL DISTRICTS DEPARTMENT, WATER/SANITATION  
DIVISION  
VEHICLE & EQUIPMENT INFORMATION**

Fund-Dept Loc	Portable/ Stationary	CO I.D. #- Tag	Description	Serial Number/ VIN	Licence #	Acquisitio n Date	Acquisitio n Cost	Current Accumulated Depreciation	A C	Zone L % Usage	Location Stored
SKV 105 200 200	P	5831	2003 Dodge Dakota	1D7HG38N93S313255	1153713	4/28/2003	\$20,471.04	-	-	100	ZL
SKV 105 200 200	P	5858	1998 FORD F-150 X-CAB 4X4	1FTZX18W0WKC15988	E100883 6	7/17/1998	\$21,472.91	-	-	100	ZL
SKV 105 200 200	P	5889	2000 Ford Ranger 1/2 ton Pick-up	1FTZR15V5YPC11737	1077511	9/11/2000	\$20,055.51	-	-	100	ZL

**CSA 9/CSA 56 F-1 Property/Facilities**

District	APN	Site Name	Site Attributes
CSA 9	306-626-101-0000	Phelan Park	2.5 acre park includes restroom, shelter w/ picnic tables and bbq's, playground equipment, basketball court, and two storage cargo containers
	306-626-106-0000	Phelan Senior/Community Center	2 separate sides to one building each w/ separate entrance, meeting room, kitchen and restrooms.
CSA 56F-1	306-705-106-0000	Pinon Hills Senior Center	1acre parcel on which sits, Senior Center and Pinon Hills Park. Senior Center has meeting room, kitchen and restrooms. Park has playground equipment and restrooms.

***EXHIBIT C***

**Water, Streetlight, Park and Recreation Services Agreement  
Phelan Pinõn Hills Community Services District**

**Compensation**

Fiscal Year 07/08 County of San Bernardino Board of Supervisors Approved  
Budget for CSA 70 L prior to dissolution

Fiscal Year 07/08 County of San Bernardino Board of Supervisors Approved  
Budget for CSA 56 F-1 prior to dissolution

Fiscal Year 07/08 County of San Bernardino Board of Supervisors Approved  
Budget for CSA 9 prior to dissolution

## CSA 70 L PINON HILLS (ECG-170)

## ACTIVITY: WATER

DESCRIPTION OF MAJOR SERVICES

County Service Area (CSA) 70, Improvement Zone L was established by an act of the County of San Bernardino Board of Supervisors on April 17, 1972. The District provides water service to an area of approximately 80 square miles incorporating the communities of Phelan and Pinon Hills. The District provides financing for the operation and maintenance of water connections for approximately 8,800 customers. The District also operates and maintains 13 active domestic water wells, 25 booster stations, 38 water storage reservoirs and approximately 330 miles of water pipelines. The District has a Board appointed Advisory Commission and utilizes the Phelan Senior Center for meetings.

BUDGET AND ACTUAL HISTORY

	2005-06 Actuals	2006-07 Year-End Estimates	2006-07 Adopted Budget	2007-08 Proposed Adjustments	2007-08 Proposed Budget
<b>Appropriations:</b>					
Salaries and Benefits	-	-	-	-	-
Services and Supplies	1,402,737	1,467,575	1,362,325	540,777	1,903,102
Central Computer	-	5,239	5,239	(5,239)	-
Other Charges	349,212	363,611	411,642	81,865	493,707
Land/Structures/Improvements	-	-	-	-	-
Equipment/Vehicles	9,800	64,000	64,000	(64,000)	-
Lease/Purchases	-	-	-	-	-
Transfers Out	1,971,577	2,217,179	2,217,179	380,196	2,607,375
Reimbursements	-	-	-	-	-
Operating Transfers Out	1,862,646	2,149,567	2,806,392	(776,025)	2,028,367
Reserves & Contingencies	-	-	2,654,847	(876,629)	1,778,218
<b>Total Appropriations</b>	<b>5,595,972</b>	<b>6,297,171</b>	<b>9,520,624</b>	<b>(709,055)</b>	<b>8,811,769</b>
<b>Revenue:</b>					
Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money and Property	115,748	95,492	107,192	(40,480)	66,622
State, Fed or Gov't Aid	-	-	-	-	-
Current Services	3,491,707	3,552,237	3,758,104	83,481	3,841,565
Other Revenue	912,079	231,384	128,008	161,610	287,618
Operating Transfers In	1,017,840	2,287,460	2,874,764	(783,058)	2,091,706
<b>Total Revenue</b>	<b>5,537,374</b>	<b>6,166,583</b>	<b>6,865,978</b>	<b>(578,467)</b>	<b>6,287,511</b>
<b>Fund Balance</b>			<b>2,654,846</b>	<b>(130,588)</b>	<b>2,524,258</b>
<b>Budgeted Staffing</b>			-	-	-

## CSA 56 F-1 PINON HILLS (SKH-380)

## ACTIVITY: PARK

DESCRIPTION OF MAJOR SERVICES

County Service Area (CSA) 56 was established by an act of the County of San Bernardino Board of Supervisors on February 21, 1983 to provide park services and the operation of an Community Development and Housing (CDH) Senior Luncheon Program for the community of Pinon Hills. This District serves approximately 8,000 parks users. This District has a Board appointed Municipal Advisory Council (MAC) and utilizes the Pinon Hills Community Center for meetings.

BUDGET AND ACTUAL HISTORY

	2006-06 Actuals	2006-07 Year-End Estimates	2006-07 Adopted Budget	2007-08 Proposed Adjustments	2007-08 Proposed Budget
<b>Appropriations:</b>					
Salaries and Benefits	18,464	18,185	18,582	958	20,521
Services and Supplies	10,948	18,142	18,500	558	19,058
Central Computer	-	-	-	-	-
Other Charges	-	-	-	-	-
Land/Structures/Improvements	-	-	-	-	-
Equipment/Vehicles	-	-	-	25,000	25,000
Lease/Purchases	-	-	-	-	-
Transfers Out	16,284	18,782	18,793	14,250	34,043
Reimbursements	(12,342)	(10,832)	(13,000)	-	(13,000)
Operating Transfers Out	-	-	-	600,000	600,000
Reserves & Contingencies	-	-	114,160	(45,183)	68,976
<b>Total Appropriations</b>	<b>33,354</b>	<b>43,287</b>	<b>158,024</b>	<b>585,584</b>	<b>754,608</b>
<b>Revenue:</b>					
Taxes	53,495	37,249	40,173	(4,027)	36,146
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use Of Money and Property	2,893	3,010	1,000	2,000	3,000
State, Fed or Gov't Aid	-	-	-	-	-
Current Services	3,432	1,739	3,600	(1,100)	2,500
Other Revenue	-	-	-	-	-
Operating Transfers In	-	-	-	600,000	600,000
<b>Total Revenue</b>	<b>59,820</b>	<b>41,998</b>	<b>44,773</b>	<b>596,873</b>	<b>641,646</b>
<b>Fund Balance</b>			<b>114,251</b>	<b>(1,259)</b>	<b>112,992</b>
<b>Budgeted Staffing</b>			<b>-</b>	<b>-</b>	

## CSA 9 PHELAN (SFP-145)

## ACTIVITY: STREETLIGHTING, ROADS, PARK &amp; REC

DESCRIPTION OF MAJOR SERVICES

County Service Area (CSA) 9 was established by an act of the County of San Bernardino Board of Supervisors on August 8, 1962. This district provides financing to operate and maintain 88 streetlights. On December 17, 1997, the Board of Supervisors approved the extension of park & recreation and road maintenance powers. The District's first park was dedicated on November 19, 2004. This District has a Board appointed Municipal Advisory Council (MAC) and utilizes the Phelan Community Center for meetings.

BUDGET AND ACTUAL HISTORY

	2005-06 Actuals	2006-07 Year-End Estimates	2006-07 Adopted Budget	2007-08 Proposed Adjustments	2007-08 Proposed Budget
<b>Appropriations:</b>					
Salaries and Benefits	15,407	15,463	19,863	1,840	21,803
Services and Supplies	18,282	68,230	53,483	9,546	63,039
Central Computer	-	-	-	-	-
Other Charges	-	84,836	85,000	(85,000)	-
Land/Structures/Improvements	-	-	-	-	-
Equipment/Vehicles	-	20,000	-	-	-
Lease/Purchases	-	-	-	-	-
Transfers Out	21,175	25,848	25,848	(7,021)	18,827
Reimbursements	(10,598)	(9,835)	(13,000)	-	(13,000)
Operating Transfers Out	-	-	-	100,000	100,000
Reserves & Contingencies	-	-	75,217	(47,419)	27,798
<b>Total Appropriations</b>	<b>42,266</b>	<b>204,242</b>	<b>246,521</b>	<b>(28,254)</b>	<b>218,267</b>
<b>Revenue:</b>					
Taxes	41,716	50,787	45,093	11,894	56,787
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use Of Money and Property	4,725	5,114	8,078	(4,979)	4,000
State, Fed or Gov't Aid	80,000	-	-	100,000	100,000
Current Services	6,322	7,372	-	6,000	6,000
Other Revenue	-	-	-	-	-
Operating Transfers In	-	-	-	-	-
<b>Total Revenue</b>	<b>132,763</b>	<b>63,273</b>	<b>54,072</b>	<b>112,715</b>	<b>166,787</b>
<b>Fund Balance</b>			<b>182,449</b>	<b>(140,989)</b>	<b>51,460</b>
<b>Budgeted Staffing</b>			-	-	-



***EXHIBIT D***

**Water, Streetlight, Park and Recreation Services Agreement  
Phelan Pinõn Hills Community Services District**

**Personnel**

**Special Districts Department  
FTE Allocation  
FY 2007-2008 Adopted Budget**

<b>Budgeted Staffing</b>	<b>CSA 9 FTE Share</b>	<b>CSA 9 Sal &amp; Ben Charge</b>	<b>CSA 56 F-1 FTE Share</b>	<b>CSA 56 F-1 Sal &amp; Ben Charge</b>	<b>CSA 70 L FTE Share</b>	<b>CSA 70 L Sal &amp; Ben Charge</b>
<b>CSA 70 (Countywide)</b>						
<b>Special Districts Administration</b>						
Administrative Secretary II	0.003	164	0.003	147	0.171	8,488
Accounting Technician	0.003	220	0.003	198	0.171	11,378
Budget Officer	0.003	381	0.003	343	0.171	19,748
Director of Special Districts	0.003	752	0.003	676	0.171	38,936
Division Manager, Fiscal Services	0.003	599	0.003	538	0.171	30,981
Division Manager, Human Resources*	0.001	232	0.001	209	0.069	12,007
Executive Assistant	0.003	297	0.003	267	0.171	15,381
Fiscal Assistant	0.003	152	0.003	137	0.171	7,873
Human Resources Analyst*	0.001	104	0.001	93	0.051	5,374
Human Resources Assistant*	0.001	54	0.001	48	0.051	2,780
Human Resources Officer*	0.001	162	0.001	146	0.051	8,393
Office Assistant II	0.007	69	0.006	62	0.343	3,585
Office Specialist	0.003	174	0.003	156	0.171	9,003
Personnel Services Supervisor*	0.001	60	0.001	54	0.051	3,102
Staff Analyst I	0.003	237	0.003	213	0.171	12,254
Staff Analyst II	0.007	414	0.006	372	0.343	21,416
Supervisor of Fiscal Services*	0.001	92	0.001	83	0.051	4,766
<b>Total</b>	<b>0.049</b>	<b>4,162</b>	<b>0.044</b>	<b>3,743</b>	<b>2.555</b>	<b>215,464</b>
*Positions shared with Fire Dept.						
<b>Information Services</b>						
Automated Systems Analyst I	0	-	0	-	0.325	23,962
Automated Systems Analyst II	0	-	0	-	0.325	29,366
Automated Systems Technician	0	-	0	-	0.325	21,434
Communications Technician	0.003	245	0.003	220	0.171	12,657
Division Manager, Information Services	0.003	663	0.003	597	0.171	34,345
Programmer Analyst I	0.003	318	0.003	286	0.171	16,436
Programmer Analyst III	0.003	412	0.003	371	0.171	21,334
<b>Total</b>	<b>0.013</b>	<b>1,638</b>	<b>0.012</b>	<b>1,473</b>	<b>1.660</b>	<b>159,534</b>
<b>Regional Operations</b>						
Construction Inspector	0.011	1,034	0.010	905	0	-
Deputy Director	0.011	2,306	0.010	2,018	0	-
Staff Analyst I	0.011	426	0.010	373	0	-
Regional Manager	0.034	4,127	0.030	3,612	0	-
<b>Total</b>	<b>0.069</b>	<b>7,893</b>	<b>0.060</b>	<b>6,908</b>	<b>0</b>	<b>-</b>

**Special Districts Department  
FTE Allocation  
FY 2007-2008 Adopted Budget**

Budgeted Staffing	CSA 9 FTE Share	CSA 9 Sal & Ben Charge	CSA 56 F-1 FTE Share	CSA 56 F-1 Sal & Ben Charge	CSA 70 L FTE Share	CSA 70 L Sal & Ben Charge
<b>Water/Sanitation</b>						
Accounting Technician	0	-	0	-	0.25	16,774
Accounts Representative	0	-	0	-	0.50	31,211
Administrative Secretary I	0	-	0	-	0.25	14,319
Business Operations Manager	0	-	0	-	0.25	31,731
Buyer I	0	-	0	-	0.25	21,168
Collections Clerk	0	-	0	-	0.25	15,011
Customer Service Representative	0	-	0	-	1.99	96,637
Deputy Director	0	-	0	-	0.25	53,719
Electrical Technician	0	-	0	-	0.25	21,573
Electrical Technician II	0	-	0	-	0.25	32,718
Electro-Mechanical Specialist	0	-	0	-	0.25	23,878
Equipment Maintenance Mechanic	0	-	0	-	0.25	21,457
Fiscal Assistant	0	-	0	-	0.50	27,959
Maintenance Worker I*	0	-	0	-	12.86	535,657
Maintenance Worker II*	0	-	0	-	3.06	178,188
Maintenance Worker III*	0	-	0	-	1.84	129,208
meter Reader*	0	-	0	-	1.22	80,438
Regulatory Compliance Specialist**	0	-	0	-	0.61	-
Sampling Technician*	0	-	0	-	0.61	29,807
Staff Analyst I	0	-	0	-	0.25	16,640
Staff Analyst II	0	-	0	-	0.25	23,789
Supervising Office Assistant I	0	-	0	-	0.50	30,493
Water Operations Manager*	0	-	0	-	0.61	59,758
Water and Sanitation Supervisor*	0	-	0	-	1.84	158,781
<b>Total</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>29.14</b>	<b>1,650,915</b>

\*Sal & Ben field operations positions charge reduced by 15% to offset possible vacancies

\*\*Regulatory Compliance Specialist expected to be filled during Q4 FY 07/08

<b>TOTAL FTEs and SAL &amp; BEN CHARGE</b>	<b>0.13</b>	<b>\$ 13,693</b>	<b>0.12</b>	<b>\$ 12,124</b>	<b>33.36</b>	<b>\$ 2,025,913</b>
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**District Specific - (Part-Time)\*\*\***

Public Service Employee - Park	1	15,361	1	14,083	0	\$ -
Public Service Employee - Senior Lunch	4	6,242	4	6,438	0	\$ -
<b>Total</b>	<b>5</b>	<b>\$ 21,603</b>	<b>5</b>	<b>\$ 20,521</b>	<b>0</b>	<b>\$ -</b>

\*\*\*District Specific Sal & Ben Charge does not include an SDD Admin fee

<b>FY 07/08 TOTAL PERSONNEL COSTS</b>	<b>\$ 35,296</b>	<b>\$ 32,645</b>	<b>\$ 2,025,913</b>
<b>QUARTERLY PAYMENTS</b>	<b>\$ 8,824</b>	<b>\$ 8,161</b>	<b>\$ 506,478</b>

## **SECTION C**

### **Description of Services Provided by the County of San Bernardino, Special Districts Department**

## COUNTY OF SAN BERNARDINO SPECIAL DISTRICTS DEPARTMENT DESCRIPTION OF SERVICES

The Special Districts Department (Department) provides direct administrative oversight to 94 dependent special districts (those governed by the County of San Bernardino Board of Supervisors). These districts provide a variety of municipal services throughout the County of San Bernardino, including water and sanitation, parks and recreation, road maintenance, television translator, and street light services. The administrative offices are located in the Cities of San Bernardino and Victorville. Satellite offices are located throughout the county within many of the communities served by the districts.

Districts and County Service Areas (CSA's) are legal entities authorized under California law and formed by the Board of Supervisors to provide public services, capital improvements and financial planning and management. The services and financial arrangements are tailored to meet the needs of a local area or region. These services are known as "extended services" because they are in addition to those services customarily funded by the general property tax levy. The desire and ability to pay for extended services are primary considerations in the communities' decision to form and operate a special district.

The Special Districts Department provides direct management and administrative oversight of the districts through six divisions: Regional Operations, Water/Sanitation, Budget/Finance, Engineering/Construction, Human Resources, and Information Services.

### WATER/SANITATION DIVISION

The Water/Sanitation Division consists of eighteen (18) water and sewer county service area improvement zones and one (1) sanitation district that are collectively administered by the Special Districts Department under the Division of Water/Sanitation (Division). This Division, staffed with 76 positions, provides administrative, billing, collections, clerical, operations/maintenance, and project administration/engineering support to the water and sanitation districts. The districts' service base ranges between 89 and 6,600 customers. The division's operation and maintenance functions are directed and performed on a regional basis. The main department office is located in San Bernardino, with regional offices located in Crestline and Victorville. This Division maintains six (6) sub-regional operations/maintenance yards located throughout the communities served. The Division is further divided into the following Sections and Units.

**BUSINESS OPERATIONS SECTION**

The Business Operations Section administers billing, collections, customer service, and development services support for eighteen (18) water and sewer county service area improvement zones from the Victorville Regional Office.

**Customer Service Unit** assists Water/Sanitation Division customers by telephone and in person. Customer Service Unit staff receipt customer payment(s), answer or direct inquiries, dispatch field staff, process necessary paperwork and maintain records.

- Processes:
  - Customer Service – Utilize billing system and account documentation to address customers account and telephone inquiry. Includes processing customer requests for payment extensions and fee waivers.
  - Communication – Utilize telephone and 800 mhz radio for local communication with field staff. Communication with an Answering Service to address after hours service calls. Distribute On-Call Sheet to all field locations and answering service.
  - Record Maintenance and Documentation – Maintain account records and documents including account information, account comments, address and name change requests, new owner applications, stop service requests, and owner/tenant agreements.
  - Payment Processing – Process customer payments received through mail and in person. Includes cash handling in accordance with County of San Bernardino Internal Controls and Cash Handling Manual.
  - USA Ticket Issuance and Distribution – Contact Underground Service Alert for issuance of time sensitive utility line location requests. Process line location requests from other utilities in accordance with State guidelines.
  - Service Orders – Issue and maintain service orders as requested by field staff and customers to address field service issues such as water meter leaks, water quality concerns, water and sewer service line breaks and water meter reads.
  - Support – Provide clerical support as needed to other Units, Management staff and satellite locations.

**Billing Unit** prepares detailed billing statements for Division customers on a bi-monthly basis using information provided by Water Operations staff and Customer Service staff. Billing Unit staff prepares and processes account documentation and maintains records.

- Processes
  - Water and Sanitation Billing – Prepare, calculate and print detailed billing statements for water and/or sanitation services using Board approved rate structures.
  - Account Maintenance – Maintain customer account information, including opening and closing customer accounts, adjustments to accounts as authorized.
  - Accounts Receivable Collection – Prepare, calculate and print Final Notice statements for water and/or sanitation customers. Prepare and distribute

Disconnection List of customer accounts to be disconnected for non payment of charges. Provide clerical support to Collections Clerk.

- Communication – Communicate with other units and field staff as needed to complete assigned tasks.
- Record Maintenance and Documentation – Maintain account records and documents including account information, account comments, address and name change requests, new owner applications, stop service requests, and owner/tenant agreements. Review and track payment extension requests.

**Collections Unit** recovers delinquent accounts receivables using approved collection methods. Collections Unit staff maintains and authorizes payment agreements.

- Processes

- Payment Agreements and Extensions – Negotiate and track customer payment agreements for payment of large outstanding balances over an extended time period. Issue and track payment extensions for customers who need additional time to pay charges due, to avoid service disconnection.
- Accounts Receivable Collection – Process returned items (NSF Checks) for collection. Issue service orders for disconnection of accounts who fail to adhere to terms of payment agreements or extensions.
- Notice of Delinquent Water and/or Sewer Charges – File Notice of Delinquent Water and/or Sewer Charges liens on property in an attempt to collect delinquent charges. Prepare demands for escrow companies advising of the current amount due to satisfy the lien. Release liens when appropriate.
- Discharge of Accountability – Prepare requests and supporting documentation for Discharge of Accountability for uncollectible charges as authorized.
- Delinquency to the Tax Roll – Prepare requests and supporting documentation for collection of delinquent water and/or sewer service charges through collection on the annual property tax bill as authorized.

**Fiscal Unit** prepares and monitors the Accounts Receivable and the Accounts Payable processes.

- Processes

- Accounts Receivable – Verify, process and reconcile all cash receipts received daily by the Division. Prepare bank deposit and reconcile account. Distribute revenues to appropriate district funds. Prepare monthly Accounts Receivable report by district. Prepare year end accruals
- Maintain financial records as required by the Auditor Controller including cash receipts journal, receipts issued, automated cash register receipts, cash receipts by fund, maintenance bonds, mainline extension reimbursements, and construction meter deposits.
- Accounts Payable -Assist purchasing in the verification of Budget and operating funds for all purchases. Process all Vendor invoices which includes verification of purchasing approval, obtaining approvals for payment from water and sanitation Managers, preparing FAS (should define FAS first time used) payment documents

and FAS transfer forms as required, verification of Budget and operating funds for expenditures, monitoring expenditures against blanket purchase orders, purchase orders, encumbered and un-encumber contracts as not to exceed preset limits, process payments for utilities, and other County departments. Process all customer refunds including water and sanitation service accounts, hydrant meter deposits and mainline extensions and reimbursements. Process payments to other Agencies for fees collected by the Development Services Unit. Process all travel claim forms for payments. Maintain Petty Cash account to include customer refunds, vendor invoices, postage due and reconciliation of Petty Cash account and bank account reconciliation. Prepare year-end accruals. Verification of FAS processing of payment documents and FAS transfers

- Monitor Board Approved encumbered and un-encumbered contracts for expenditures and expiration.
- Maintain Division and District equipment listing which includes preparing documents for transfer or surplus of equipment.
- Monitor Board Approved contracts for the Division or Water & Sanitation Districts not related to purchasing of material or services, which includes preparation of invoices as required.
- Process all Travel/Training request to include reviewing documents for accuracy and completeness, obtaining approvals from Division and Department as required, payment of registration and travel expenses are required and maintain travel/training records for each employee.
- Preparation of monthly report of expenditures and revenues by operating fund for each district
- Prepare quarterly salary, service and supply abatements
- Prepare Division invoices for services provided to other agencies and for damages to district structures or equipment including collections of payment.
- Prepare FAS transfers for all customer payments returned for non-sufficient funds for charge back to district funds.
- Reconcile consolidated banking accounts to include research and resolution of bank adjustments.
- Assist Management and Department Budget staff with preparation of year-end estimates and budgets.

**Development Services Unit** assists the Engineering/Construction Division through project support and maintenance; connection permit preparation and issuance; standby preparation and processing; and fire flow administration.

- Processes
  - Water Availability – Determines service availability through research and review of assessment credit information and water system maps. Issue water availability letters or provide recommendations for water main line extension projects.
  - Projects and Feasibility Studies – Determines water system demand, supply and storage requirements, fire flow requirements and system improvements for subdivisions, commercial projects and other projects as needed. Includes plan check



process, filing of appropriate documents, and providing recommendations to the Design Review Committee.

- Construction Meters – Issue Construction Meter Permit for various construction projects.
- Fire Flow Administration – Handles all fire flow requests and related inquiries as required by the County of San Bernardino Fire Department or other agencies.
- Standby – Prepares and processes documentation for water standby charges on parcels not connected to the water systems based on criteria as provided by the County of San Bernardino Board of Supervisors for collection on the annual property tax bill.
- Permits – Issue permits for water meters, fire hydrants, and construction meters.

**Administration Unit** oversees all annual and quarterly reporting to ensure compliance with regulatory agency guidelines.

- Processes
  - Watermaster – Prepares quarterly and annual water production reports.
  - Consumer Confidence Reports – Prepares annual reporting on water quality and water system status.
  - Department of Health Services – Prepares annual water production and consumption reports.
  - Annual Notice of Groundwater Extraction and Diversion – Prepare annual report to State of California Water Resources Control Board.
  - Statistical Reports – Prepares and maintain public water system statistical reports.
  - Compliance Programs – includes HAZCOM, MSDS, Emergency Response Plans, CUPA Business plans, Hazardous Materials handling, storage, transportation and disposal.

## WATER OPERATIONS SECTION

The Water Operations Section operates and maintains 9 water systems consisting of 29 pressure zones, 46 wells, 72 reservoirs, 48 pressure reducing stations, 40 booster pump stations with 94 booster pumps, and approximately 556 miles of water main line serving 14,670 metered water connections.

**Construction/Hydrant Unit** performs all repair and maintenance of water main lines and system infrastructure.

- Processes
  - Fire Hydrants – Repairs and replaces all fire hydrant facilities. Also includes fire flow testing and flushing of hydrants and dead end lines.
  - Valves – Maintains valves through a valve exercising program and makes repairs and replacements to valves on an as needed basis.
  - Construction – Installs new customer water meters. Repairs and replaces water service lines and water main line facilities. Relocates water meters as needed due to installation of new water mains. Bacteriological and hydrostatic testing of new and

existing water mains prior to activation. Performs scheduled and unscheduled water main shut downs. Performs traffic control measures when needed to provide a safe work environment.

- Equipment Maintenance – Performs regular minor maintenance of all vehicles and equipment, including heavy equipment such as backhoes, dump trucks, trailers and generators.
- USA Tickets Issuance and Completion – Contact Underground Service Alert for issuance of time sensitive utility line location requests. Process line location requests from other utilities in accordance with State guidelines.
- Emergencies – Respond to and repair water main line and water service line breaks and leaks on a 24-hour basis. Communicate with Business Operations staff and after hours answering service staff. Assist with other agencies as needed.

**Operations/Maintenance Unit** maintains integrity of the water system facilities through daily monitoring and maintenance.

- Processes
  - Monitoring – Monitors and records water system operational status daily. Monitor and maintain chlorine residuals daily. Operate and monitor SCADA system.
  - Efficiency Testing – Performs pump and motor efficiency testing on wells and booster pumps.
  - Maintenance – Repair and replace water booster and water well pumps and motors. Maintain and repair pressure reducing stations. Repair and replace control valves.
  - Operation – Operate and maintain water wells and water booster stations. Operate control valves.
  - Electrical – Maintain and repair high voltage electrical panels serving water well booster pumps and motors and control valves.

**Meter Reading Unit** reads water meters on a regularly scheduled basis and performs water meter repair and maintenance as required.

- Processes
  - Reading Water Meters – Regularly reads water meters for billing purposes or as needed. Performs re-reads and read verifications.
  - Water Meter Repair and Replacement – Repairs and replaces water meters or water meter components as needed or requested.
  - Service Disconnection – Performs water service disconnection and reconnection of delinquent accounts as required for Accounts Receivable collection.
  - Service Orders – Completes service orders. Includes performing site investigations, water meter calibration and water pressure testing.

**Purchasing/Warehouse Unit** purchases, issues, controls and maintains inventory of all necessary parts, materials and equipment.

- Processes

- Purchasing – Buys all repair and maintenance materials. Purchases all vehicles, equipment, tools, supplies, and services. Provide support for Board Agenda Items required for purchasing activities.
- Warehouses – Maintains adequate emergency and routine repair materials for the water distribution system.

**Water Quality Unit** monitors and samples the water system to maintain compliance with regulatory agency requirements.

- Processes
  - Cross Connection Control Program – Maintain and enforce annual testing report compliance of all customer backflow prevention assemblies.
  - Monitoring – Monitors water quality characteristics through physical, chemical, biological and radiological testing.
  - Conservation – Encourage and enforces district water conservation ordinances through customer contact and participation in local agency water conservation programs.
  - Investigation – Investigate customer water quality complaints.

## REGIONAL OPERATIONS DIVISION

The Special Districts Department, Regional Operations Division manages two districts within the area of the assuming entity that would be affected by a change of governorship.

**County Service Area 9 (District)** has park, streetlight and road powers. Only park and streetlight services are currently active. There are 84 streetlights that the district manages. These streetlights are owned and maintained by Southern California Edison. The Special Districts Department, Fiscal Division pays for the energy charges generated by these streetlights with property tax revenue.

- Processes
  - The District manages a 2.5 acre park that was constructed in 2004. The park consists of playground equipment, horse shoe pits, picnic facilities, a basketball court, a walking path, a group shelter, and a restroom. Next to the park is a senior/community center with kitchen facilities. The park and community center are maintained by one part time employee. Additional revenue is generated for the District by renting out the community center to private groups and classes. Reservations for the community center are handled through the Division's Wrightwood office. The senior center is maintained and operated by seniors through an agreement with the District.
  - A monthly senior lunch program is held at the community center. This program, funded by a Community Development Block Grant, is administered by the Special Districts Department on behalf of the District. Part time employees provide the lunch (which includes shopping, set up, cooking, clean up, etc.) to this District and three other Districts in the area (CSA 56, CSA 56F-1 and CSA 70 P-6).

**County Service Area 56, Improvement Zone F-1 (District)** has park and fire powers. Only park services are affected by the potential change of governorship. The District manages one park that consists of a playground, picnic area and senior/community center. The park and community center are maintained by one part time employee. Additional revenue is generated for the District by renting out the community center to private groups and classes. Reservations for the community center are handled through the Division's Wrightwood office.

- Processes
  - A monthly senior lunch program is held at the community center. This program, funded by a Community Development Block Grant, is administered by the Special Districts Department on behalf of the District. Part time employees provide the lunch (which includes shopping, set up, cooking, clean up, etc.) to this District and three other Districts in the area (CSA 9, CSA 56 & CSA 70 P-6).

### ENGINEERING/CONSTRUCTION DIVISION

In general, the Engineering/Construction Division of the Special Districts Department is responsible for the service end of the Land Use Services process; the technical review and approval of the Development Services process; the planning, design, and budgeting of Capital Improvement Projects (CIP); the overview, management, and inspection of construction projects; and the management and maintenance of plans, policies, procedures, rules and regulations, data, and engineering related documents.

**Land Use Services** duties are currently being performed by Division Staff related to the County of San Bernardino Land Use Services Process. The services/duties have been listed in the order they are required in the process.

- Processes
  - Approval of Adequate Sewer and/or Water Service Certifications – The Division Manager reviews and approves the Adequate Sewer and Water Certification documents. These documents are required by the County Planning Department in order for developers to submit tentative plans for parcel maps, tract maps, and land use permit projects into the County Planning Process.
  - Staff preparation of a Design Review Committee Interoffice Memo – Staff prepare an Interoffice Memo describing initial service requirements in response to Project Notices circulated by County Planning.
  - Attendance and representation at the Design Review Committee (DRC) – The County Planning Department conducts regularly scheduled DRC meetings held at the San Bernardino County Planning Department offices in the Government Center, City of San Bernardino. Division Staff attend the meeting to comment on proposed development projects.
  - Generation of map and permit Conditions of Approval – Division Staff prepare Conditions of Approval for water, sewer, street lighting, and assessment payoff or apportionment services for all development projects located within an area served by the Department.

- Attendance and representation at the Planning Commission Hearing – Division Staff must periodically attend the Planning Commission Hearings to speak to service requirements on controversial or high profile projects.
- Issuance of Will Serve Letter or Completed Feasibility Study – Division Staff review and approve the issuance of service letters and/or studies which outline service requirements and allow development projects to obtain permits from the County Building and Safety Department.
- Participation in the Preparation of Bonding Documents – Division Staff will prepare bond amounts for water, sewer, streetlight, and drainage improvements required by the County Surveyor to be posted (in lieu of construction) prior to the recordation of map and permit projects.
- Approval and Authorization of Condition Compliance Release Forms – The Division Manager verifies and approves condition compliance to the County Surveyors Office to allow maps and permits to record.

**Development Services** duties are currently performed by Division Staff related to the County of San Bernardino Development Services Process. The services/duties have been listed in the order they are required in the process.

- Processes

- Meeting(s) with developer(s) – The initial step of the Development Services Process is to meet with developers or property owners to discuss prospective projects in those areas served by the Department. These meetings usually result in a request for services.
- Preparation, Review and Approval of Feasibility Studies – The Division is responsible for the approval and issuance of a final feasibility which identifies water and/or sewer service requirements for mapping and permit projects that involve a division of property, commercial/industrial development, or a high-density residential project. Feasibility Studies are not required for a residential home on a single lot.
- Plan check and Approval of Improvement Drawings – The Division is responsible for the review and approval of improvement plans for mapping and permit projects required to construct facilities in order to receive service. Plans must be prepared in accordance with Department requirements and per Department Standards and Standard Specifications. The Owner/Developer pays the costs for these services.
- Inspection of improvements being constructed by Owner/Developer – The Division Inspector inspects all improvements constructed by Owners/Developers that are to be given to a District to provide public service. Improvement construction must be in accordance with Department requirements and per Department Standards and Standard Specifications. The Owner/Developer pays the costs for these services.
- Maintenance Bonds – Division Staff review and approve bond documents from the Owner/Developers for adequacy and accuracy. The bonds are issued in an amount equal to 10% of the construction costs.
- Preparation and Approval of Reimbursement Agreements – Department Staff prepare reimbursement agreements for Owner/Developers who wish to recover a

portion of their construction costs from other neighboring/benefiting properties. The County Board of Supervisors must approve these agreements.

**Capital Improvement Projects** are currently managed by Division Staff in conjunction with planning, designing and constructing capital improvements.

- Processes

- Water Hydraulic Modeling and Master Plans – Division Staff prepare or have Hydraulic Models and Master Plans prepared under their review to determine water capital improvements on an annual basis.
- Sewer Hydraulic Modeling and Master Plans – Division Staff prepare or have Hydraulic Models and Master Plans prepared under their review to determine sewer capital improvements on an annual basis.
- Project Cost Estimating – Division Staff prepare initial Project costs, including planning, environmental processing, survey and design, administration, construction and construction management costs, for the budgeting of the capital improvement program on an annual basis.
- Preparation of Pre-Application and Final Application for Loan/Grant Funding – Division staff plays a significant role, including the project description, project costs and project schedule, for the preparation of funding applications for various funding agency submittals.
- Design or Contract for Design of District Capital Improvement Projects (CIP) – All CIP projects are designed by Division Staff or designed by consultants under the review and approval of Division Staff.
- Advertise for and Receive Public Bids – Bid packages for CIP projects are prepared by Division Staff and the Division Manager seeks Board approval for the packages and to solicit public bids. This includes bid review, analysis, and selection of a responsible low bidder.
- Prepare and Issue Contracts – Division Staff prepare the contracts for CIP projects and the Division Manager seeks Board approval to award these contracts to the successful bidder(s).
- Inspection of CIP Projects – The Division Inspector provides construction inspection for all CIP projects being constructed. Project must be in accordance with the approved project plans and specifications, and the Division Inspector insures that this is the case.
- Manage Construction and Construction Contracts – The Division Manager will assign a Project Manager to oversee the construction on CIP projects. Tasks typically performed include all requests for information, change orders, field adjustments, and all necessary documentation required by funding and regulating authorities.
- Prepare and Process Operational Permits – Division Staff play a significant role in conjunction with Operations Staff in the preparation and processing of operational permits and permit amendments to include the new capital improvement facilities.

**Management and Maintenance of Department Documents** is performed by Division Staff.

- Processes
  - Original drawings – Division Staff are responsible for maintaining the record drawings for all Owner/Developer and CIP improvements. The Division stores the original reproducible copies and has digital images prepared for computer storage and distribution in either .jpg or .tif format.
  - Service Policies and Procedures – Division Staff are responsible for the creation, management, and updating of service policy and procedural documents. These documents include Sewer and Water Standard Drawings, and Standard Specifications and Water Service Policies.
  - Master Plan and Similar Type Documents – Division Staff, who are involved with the initial document preparation, also are required to maintain and update all master plan type documents. Document types include water and sewer master plans, urban water management plans, focused studies, grant and loan application packages, and others.
  - Rules and Regulations – Division Staff are included with other Divisions in the preparation, review, update, and revisions to the Rules and Regulations for water districts, sanitation districts, and storm drain districts.

### HUMAN RESOURCES DIVISION

In general, the Human Resources Division of the Special Districts Department is responsible for recruitment, selection, classification, compensation, employee and labor relations, benefits, payroll services and Workers Compensation for the Department.

- Processes:
  - Recruitment – Develop recruiting strategies for vacant positions. Write job announcements, advertise in local publications, review applications, and develop a certified list of qualified candidates for departments to interview.
  - Selection – Work with managers to schedule interview dates and times for vacant positions, review interview questions, develop written tests, administer testing, coordinate panel members to conduct interviews, and notify candidates of interview dates and the final outcome of the interview.
  - Classification – Review the job duties and job specifications for all positions within the department. Ensure the information on the job specification is reflective of the duties assigned to the position. Update the job specifications on a regular basis. Research and create new classifications for the department as needed.
  - Compensation – Review the compensation for all classifications within the department on a routine basis to ensure the classifications within the department are paid at the established market average. Review the compensation for classifications in support of the negotiations process. Develop the appropriate salary ranges for newly established classifications.
  - Employee and Labor Relations – Handle all employee disciplinary issues to include work performance issues, grievances, insubordination, employee counseling, workplace violence, harassment, and discrimination. Serve as the Chief Negotiator for the Department and negotiate the Memorandum of Understandings with the

Employee Association. Develop the compensation plans for unrepresented and exempt employees. Provide guidance to managers and supervisors on human resources issues.

- Benefits – Coordinate the open enrollment process for department staff. Provide information and guidance to employees within the department on the benefits offered throughout the County and coordinate the completion of the appropriate benefit paperwork.
- Payroll – Conduct orientation for all newly hired employees to include completion of all new hire paperwork. Process bi-weekly payroll for staff. Make payroll correction as necessary. Compute and process payment for payroll taxes.
- Workers Compensation – Receive, complete, and forward to Risk Management all paperwork surrounding Workers Compensation injuries. Schedule return to work physicals for injured employees. Place injured employees in modified duty assignments as necessary. Conduct interactive meetings as required. Compile disability retirement responses for the Retirement Board.

### BUDGET/FINANCE DIVISION

The Budget/Finance Division coordinates and oversees the preparation, presentation and publishing of the districts' budgets. It provides budget analysis for department funds, including revenue and expenditure review and appropriation accounting. The Division oversees contracts, purchasing and acquisitions, including preparation, audit, and processing of all transfer and payment documents, and maintenance of current and historical document files.

The Division also coordinates submittal of the Department's county fees, and lien administration for special taxes, assessment districts and community facilities districts. Further, in order to preserve and strengthen district financial integrity, the Division annually sets user charges for water and sewer services at levels sufficient to ensure that revenues equal or exceed expenses in each fiscal year.

In conjunction with the Engineering/Construction, Water/Sanitation and the Regional Operations Divisions, the Division is responsible for processing applications and implementation of state and federal grants for new facilities and infrastructure.

- Processes

- Compile and present budgets for review and approval - Includes gathering and researching historical cost data as well as forecasting future required costs, and setting water rates to recover all costs (Salary/Benefits, Services and Supplies, Debt Service, Equipment and Vehicles, construction, and maintain required reserves). The Division uses a detailed, intensive modeling program purchased from a consulting firm to project rates. The model considers such factors as inflation, future construction projects, rate revenue and operating expense coverage.
- Salary and Benefit Budgeting – requires staffing plan and review, and interface with retirement fund administrators for retirement costs. The Human Resources Department and upper management provide high level staffing review. Existing



positions (employees) are counted and reconciled with Human Resources and Payroll records. Human Resources conduct reclassification and equity studies on a scheduled basis; Budget Section calculates the increased costs and places them in the budget.

- Fixed asset accounting - includes depreciation calculations. The list of fixed assets is reviewed annually and certified for accuracy. Discrepancies are noted and corrected by processing the appropriate asset accounting forms.
- Negotiate with insurance companies - for coverage, i.e. workers compensation, auto comprehensive and liability, fire insurance, etc.
- Provide credit card and gas card accounting. - this includes obtaining and canceling employees' cards, reconciling employees' credit card receipts with statements, and reviewing expenditures for appropriateness.
- Provide petty cash replenishment and accounting - this includes frequent cash counts to ensure cash is not missing, and review of type-of-use to ensure spending is appropriate.
- Maintain current signature authorizations - (for approval of payment documents). All employees who are allowed to approve payments must have authorized signature forms on file containing their name, their sample signature, and the forms the employee is allowed to sign. These forms are then used to verify signatures on payment documents before processing.
- General corrections and customer service, i.e. complaints – help desk. This desk is the first line of contact for vendors calling in for status of payment, for instance. This employee should be familiar with general duties and responsibilities of the rest of the fiscal staff so they would know how to direct the caller.
- Track receipt and expenditure documents to ensure bank clearance - a log of the payment documents that are processed for payment is used to list all payments. The log is reconciled to either a checking statement or financial system report to ensure all payments that are processed clear the bank. Statements must also be reviewed to ensure no transactions have cleared a bank that did not have a payment document.

### INFORMATION SERVICES DIVISION

The Information Services (IS) Division maintains all Network, Communication and Information System resources utilized by the Special Districts Department. This includes development and management of Enterprise-Wide Information Systems and various communications systems (voice and/or data) distributed over Telco landline, dedicated peer-to-peer medium, radio frequencies, and wireless technology. The IS Division is responsible for planning and directing the development and design of all computer systems and projects that utilize or interface with computer based technology. The IS Division is integrally involved with every Division within the Special Districts Department and its member districts. The IS Division utilizes a layered approach to providing services to its customers by:

- Focusing on technologies required to help the district fulfill its mission to its customers efficiently.

- Ensuring the entity is in compliance with all County policies adopted by its governing board.
- Providing the ability to interface with the County entities in the adopted format over secure, cost-effective communication platforms.
- Providing all required reporting and placement of all data control points within the system in order to meet State and Federal regulatory requirements, where applicable.
- Providing data security and disaster recovery and information support to emergency services personnel and County/State/Federal agencies.
- Enabling each member district to be included or segregated from common infrastructure as the district requires with a documented audit trail.

The goal of the IS Division is to provide our customers with solutions based on their specific needs and not a closed set of options with limited flexibility. The IS Division is constantly reviewing new products and approaches to IS services in order to provide cost-effective and efficient solutions while providing the security of confidential data that our customers expect.

Division personnel have degrees in Computer Science and Business Information Technology and have system experience ranging from 5 to 20 plus years. This allows the division to provide complete IT support from the business system planning methodology through the technical Computer software engineering and application development phases. Staff is cross trained in various disciplines and works to maintain all new training and certification requirements.

#### INFORMATION SERVICES DIVISION SECTIONS

The IS Division works together to analyze all new facility construction plans to ensure that all required communication needs are factored in before construction begins. The Division serves as in-house consultants for new district services and serves as project manager for outsourced support services. Extensive experience coupled with in-house solutions has allowed the Division to structure and utilize service contracts with proper oversight in order to maximize the district's investment in personnel.

**Communications Infrastructure Section** provides all districts with a single point of contact for all communications needs. The section maintains a working relationship with all public carriers and approved vendors of communications equipment. The section also maintains personnel certified by various vendors on utilization and installation of communications media in order to reduce costs of installation and repairs with the assurance that the districts emergency needs determine the service priority. The section has responsibility for all telephone services (Telco) and data communications circuits utilized by the districts. The section is responsible for the procurement and coordination of cellular communications and radio communication equipment utilized for data and FCC licensing requirements, and the procurement, installation, and maintenance of all audio/video equipment in the various offices as required. The section is also responsible for the procurement, installation and maintenance of all security services, access control, and video security equipment with appropriate monitoring agreements where applicable.

**Network Administration Section** maintains network security, data integrity, and system-application compatibility. The section maintains all system and application licensing requirements for the various products in use and negotiates group-volume discounts to benefit all districts while allowing each entity to pay only for the products utilized. The section further establishes maintenance agreements for support, acquires updates and patches with various vendors, and reviews the requested information to ensure product compatibility between hardware, operating systems, and applications. The section is responsible for maintenance of all software and computer hardware inventories, and all software versions and hardware warrantee information. The section also maintains the department's disaster recovery plan and the data backup processes. As part of the security plan, this section interprets district and department functional and operational relationships and implements system security policies and event flags. This section maintains a test environment of new operating system platforms to test and certify that upgrade paths established by vendors will not negatively impact district operations.

**Application/User Support Section** provides the first level of support to all users and maintains application and process availability. The section maintains the help desks and will interface with vendors of process specific software as users encounter problems that affect their ability to service their customers. This section always responds with the same level of urgency as the users and can call upon all IS Division sections to help resolve issues. The section further establishes direct working relationships with the various vendors' technical support staff to provide a contact with hardware and software support training and network administration privileges that also understand the users operation and configuration. This allows the users to handle other tasks while the support staff concentrates on getting problem systems back online. The support group also maintains a working knowledge of script, query, and report writer languages to facilitate the generation of ADHOC reports and data exports. The section is also responsible for maintenance of all computer software, hardware and peripherals throughout the operation. Through standardization and centralization of all hardware and software, the section maintains spare equipment to provide replacements when repairs are required during visits at all locations. The section will provide end user training on use of standard system utilities such as email and generic business software and access to County information resource and accounting applications as required.

**System/Application Development (DBA)** section is responsible for the development of all district and department specific applications where the requirements and mandates are beyond the functionality of commercially available products. This section will also develop "front-end" application to interface with standard products where the most cost-effective solution is a combination of "off-the-shelf" and custom interface. The section is also responsible for the development of applications to automatically generate electronic files as input to County systems. This method is used in order to maintain compatibility with County systems and new developments by other departmental systems the districts, as board governed entities, must utilize. This section also serves as the department Database Administrator (DBA) in order to ensure data security and that "best practices" are followed by other development staff within

the IS division. Provides routines and methods to access critical data without requiring the programmers spend time developing views into the database when the task is to develop a solution with the results. Provide a separate and additional layer of security from the application programmers, scriptwriters, and network administrators so that an audit trail and checks exist.

The IS Division works with all district management staff and field supervisors in the development of strategic and functional plans to help reduce overhead cost by integrating new information, hardware, and communication technology with existing processes to increase efficiency of the operation. The IS division is committed to providing our customers with the appropriate level of service based on their needs and requirements. As a full service IT operation, our goal is to provide our customers with communications/network infrastructure appropriate to their needs connected and utilizing shared resources to provide maximum support, security, and disaster recovery at a minimal cost. Yet, provide the unique identity to your customers expect.

## **SECTION D**

### **PPHCSD Pooled Equipment: July 19, 2007 Letter From SDD to LAFCO**

## SPECIAL DISTRICTS DEPARTMENT

157 West Fifth Street, Second Floor • San Bernardino, CA 92415-0450 • (800) 387-6940  
Fax (909) 387-6968



COUNTY OF SAN BERNARDINO  
PUBLIC AND SUPPORT  
SERVICES GROUP

THOMAS E. SUTTON  
Director

July 19, 2007

Kathleen Rollings-McDonald, Executive Officer  
Local Agency Formation Commission  
215 N. D Street  
San Bernardino, CA 92415-0490

Re: Phelan Pinon Hills CSD /Pooled Equipment

Dear Ms. Rollings-McDonald:

Through recent meetings and discussions, representatives of the Special Districts Department (SDD), Phelan Pinon Hills Community Services Feasibility Committee and LAFCO have developed a basis to distribute equipment pool assets currently owned by the SDD Water and Sanitation Division (WAS).

If the Phelan Pinon Hills Community Services District (CSD) is formed, it will receive its fair share of the equipment as determined by calculations using the following factors:

1. Total blue book value of vehicle and rolling stock (\$1,810,517).
2. Total residual value of non-vehicle/non-rolling stock (\$71,476).
3. Average percentage of CSA 70 Zone L's contribution to the SDD Equipment Replacement Reserve (Fund CMT) for three fiscal years, compared to contribution of all Water and Sanitation districts. Fiscal years used were 2004/05, 2005/06 and 2006/07.

The listing of equipment owned by SDD/WAS, with equipment marked as available for purchase, has been provided to the representatives.

Calculation of CSD's percent of entitlement to be received in cash, or in specific equipment, is summarized as follows:

Contribution	FY 2004/05	FY 2005/06	FY 2006/07	Average
CSA 70-L	\$ 64,277	\$ 69,950	\$ 69,243	
Total: All	\$367,987	\$423,574	\$390,942	
Percentage	17.5%	16.5%	17.7%	17.2%

The 17.2% of \$1,810,517 vehicle and rolling stock equals \$311,409, and 17.2% of non-vehicle/non-rolling stock \$71,476 equals \$12,294, for entitlement based on listing of vehicle and equipment of \$323,703.

Additional entitlement of cash is calculated as 17.2% of \$466,726 equipment replacement reserve at 7/13/2007 (\$80,277). Note that there are no (-\$0-) budgeted Zone L transfers to the Equipment Replacement Reserve in FY 2007/08.

A list of three fully depreciated vehicles scheduled for surplus has been provided to the representatives. All are available for purchase; estimated surplus value for all three vehicles is \$8,050.

It is agreed that equipment directly owned by CSA 70 L will transfer in full to Phelan Pinon Hills CSD upon formation with no further acquisition costs.

The Special Districts Department concurs with a 3 to 5 year payment plan to the newly formed CSD, if the CSD selects an equipment option that exceeds a \$200,000 cash payment from the Department, as discussed at the planning meeting on July 13, 2007.

In summary, the following represents a fair and equitable distribution of pooled equipment asset value to the CSD in the event of its formation:

\$311,409 - Vehicle & Rolling Stock Value  
\$ 12,294 - Non-vehicle/Non-rolling Stock Value  
\$ 80,277 - Equipment Replacement Reserve Value  
\$403,980 - Total Distribution of Pooled Equipment Asset Value

Sincerely,



Thomas L. Sutton  
Director

cc: Norm Kanold, Assistant County Administrator  
Manuel M. Benitez, Deputy Chief  
Jeff Rigney, Deputy Chief  
Wayne Thies, Administrative Analyst  
Paula Nowicki, Chief of Staff, 1st District  
Randy Booker, Budget Officer  
Charlie Johnson, Chair, Phelan Pinon Hills CSD Feasibility Committee

**SECTION E**

**Proposition 40 Agreement between SDD and PPHCSD**





District

F A S

## STANDARD CONTRACT

## FOR COUNTY USE ONLY

<input checked="" type="checkbox"/> New <input type="checkbox"/> Change <input type="checkbox"/> Cancel	Vendor Code		Dept. <b>SC</b>		A		Contract Number	
County Department Special Districts Department, County Service Area 70					Dept.		Orgn.	
County Service Area 70 Contract Representative Gerard O'Reilly					Telephone 909-387-5940		Contractor's License No.	
							Total Contract Amount Not to exceed \$100,000	
Contract Type <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:								
If not encumbered or revenue contract type, provide reason:								
Commodity Code			Contract Start Date 07-01-2008		Contract End Date 06-30-2011		Original Amount	
							Amendment Amount	
Fund SKV	Dept. 105	Organization 105	Appr. 800	Obj/Rev Source 8525	GRC/PROJ/JOB No.		Amount	
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.		Amount	
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.		Amount	
Project Name Administration of Proposition 40 Grant Funds				Estimated Payment Total by Fiscal Year				
				FY	Amount	I/D	FY	Amount

THIS CONTRACT is entered into in the State of California by and between County Service area 70, hereinafter called CSA 70, and

Name  
PHELAN PINÓN HILLS COMMUNITY SERVICE DISTRICT  
Address  
P O BOX 95  
PINÓN HILLS, CA 92372  
Federal ID No. or Social Security No.

hereinafter  
called District

## IT IS HEREBY AGREED AS FOLLOWS:

(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)

**WHEREAS**, CSA 70, operating under laws of the State of California, is empowered to provide recreation and park services and facilities; and,

**WHEREAS**, CSA 70 has been allocated \$500,000 of Proposition 40 grant funds for park improvements for the community of Phelan and Pinón Hills;

Auditor/Controller-Recorder Use Only	
<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

**WHEREAS**, the administration of these grant funds can not be transferred to District;

**WHEREAS**, District has requested CSA 70 provide project and grant administration of the \$500,000 Proposition 40 grant funds for park improvements;

**NOW, THEREFORE**, CSA 70 and DISTRICT, for consideration hereinafter named, agree as follows:

**I. Services Provided:**

- A. Subject to the contract between the County of San Bernardino and the California State Department of Parks and Recreation concerning Proposition 40 grant funds, CSA 70 will provide all project and grant administration in conjunction with the completion of the park improvements within District. These services will include but not be limited to project application, design of park improvements, project bidding, contract preparation, project inspection and project close out documentation.
- B. CSA 70 will spend up to \$500,000 of Proposition 40 grant funds. Any additional amounts of funding needed will be the responsibility of District.

**II. Term:**

This Agreement shall commence on July 1, 2008, and shall terminate on June 30, 2011.

**III. Cost:**

As allowed under the Proposition 40 guidelines project administration and engineering will not exceed 20% of the project allocation (\$100,000).

**IV. Termination for Convenience:**

District may terminate this Agreement by giving CSA 70 not less than thirty (30) days prior written notice. Termination of this Agreement will forfeit District receiving the Proposition 40 grant funds.

**V. Insurance/Indemnification:**

District agrees to indemnify, defend and hold harmless CSA 70 and its authorized officers, employees, agents and volunteers from any and all claims, losses, damages, and/or liability arising out of this contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any claim therefore, except where such indemnification is prohibited by law.

**VI. Notices:**

Any notice, request, approval, or communication that either party desires or is required to give the other party shall be in writing and either served personally or sent by prepaid registered mail, return receipt requested, addressed as follows:

**CSA 70:** Special Districts Department District  
Attn: Thomas L. Sutton  
157 W. 5<sup>th</sup> Street  
San Bernardino, CA 92415

**DISTRICT:** Phelan Pinon Hills Community Services  
Attn: President, Board of Directors  
Address: TBD

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**VII. Entire Agreement:**

This Agreement contains all of the understandings of the parties hereto with respect to any such matters shall be effective for any purpose.

**VIII. Amendments:**

No provisions of this Agreement may be amended except by written amendment signed by the parties hereto.

**IX. Waivers:**

No waiver by either party of any provisions of this Agreement shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provisions.

IN WITNESS WHEREOF, this Agreement has been executed and approved and is effective and operative as to each of the parties as herein provided.

COUNTY SERVICE AREA 70

PHELAN PINÓN HILLS COMMUNITY  
SERVICES DISTRICT

▶  
Paul Biane, Chairman, Board of Directors,  
acting in its capacity as governing body of  
CSA 70

(Print or type name of corporation, company, contractor, etc.)

By ▶

(Authorized signature – sign in blue ink)

Dated: \_\_\_\_\_

Name

(Print or type name of person signing contract)

SIGNED AND CERTIFIED THAT A COPY  
OF THIS DOCUMENT HAS BEEN  
DELIVERED TO THE CHAIRMAN OF THE  
BOARD

Title

(Print or Type)

Dated: \_\_\_\_\_

Dena M. Smith, Secretary

Address \_\_\_\_\_

By: \_\_\_\_\_

Approved as to Legal Form

Reviewed by Contract Compliance

Presented to BOS for Signature

County Counsel

Department Head

Date

Date

Date

**Auditor/Controller-Recorder Use Only**

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Input Date	Keyed By